Business Bulletins *from around the world*

AFGHANISTAN—Atomic reactor, reportedly destined for research and training use at Kabul University, to be provided by Soviet Union under agreement signed September 5.

ARGENTINA—Certain duty-free privileges granted (under 1957 decree) to industrial enterprises south of Parallel 42 have been modified by Decree Law 6,123. This provides for transitional program leading to eventual elimination of duty-free privileges to area's industrial establishments.

CEYLON—Government announces formation of Ceylon State Hardware Corporation with initial capital of Rs. 16 million ($3.36 million). Company to manufacture hardware, small tools, agricultural implements, and cutlery, with production to start in 1965. CEKOP of Poland to provide equipment, technical documentation and assistance.

ETHIOPIA—Japanese group representing Mitsubishi Shoji Kaisha, Ltd., Toyo Rayon Co., Ltd., and Sakai Textile Manufacturing Co., Ltd., to construct synthetic fabrics plant. Initial $1 million capital subscribed 50% by Government, remaining 50% by Japanese companies.

FRANCE—New electric railroad travels Paris-Brussels in 2½ hours, at 74½-mile average hourly speed. Locomotives can operate on different currents (15,000 volts AC, France; 3,000 volts DC, Belgium), so no engine change is necessary at frontier.

INDIA—Government releases 200,000 bales (392 pounds net) of Bengal Deshi cotton for export for shipment from Sept. 11, 1963, through Aug. 31, 1964. This is first cotton export allocation for 1963-64.

JORDAN—German firm negotiating with Government for oil prospecting rights. Interest centered on West Bank region around Hebron and Bethlehem.

MALAYSIA—Federation of Malaya parliament, in line with recommendations of IBRD Rueff Mission and Malaya-Singapore financial agreement, passes bill to establish Tariff Advisory Board working on introduction of common market into various territories comprising Malaysia. Business leaders in Federation reportedly welcome board as well as invitation of Ministry of Commerce and Industry to submit lists of their products for which they wish board to consider tariff actions.

MOROCCO—Interministerial Committee for Development of Tourism established to make survey of sites and coordinate development plans. Committeemen include representatives Ministeries of Tourism, Public Works, Interior, and Promotion Nationale.

Freight rates between Morocco and European ports go up 10% effective Oct. 15, 1963, according to local press reports. This is in lieu of 5% increase reported earlier.

PHILIPPINES—American-owned Union Carbide (Philippines), Inc. announces major expansion plan to manufacture polyethylene film bags for industry.

After purchasing majority interest in Philippines Electrical Manufacturing Co., Inc., incandescent and fluorescent bulb producing firm, General Electric International, now in position to expand into production of industrial and consumer electrical equipment.

SPAIN—Imports of machinery and apparatus for making grape juice and concentrates to be permitted duty-free entry if this equipment not manufactured domestically.

Cortes approves antitrust legislation —effective Jan. 1, 1964—designed to lessen possible abuses of monopolies and restrictive trade practices. Measure provides for maintenance of free competition between enterprises, protection of consumer interests, and maximum utilization of country's resources. Forbidden are price-fixing, production limitation, market sharing, and application of discriminatory practices to third parties. Sanctions are provided. Court to be set up under Commerce Minister to administer law.

SWITZERLAND—Sulzer Brothers of Winterthur receive orders from British shipping group and Shell for four large marine diesel engines. Two will be built in Great Britain under license.

Wide selection of British consumer goods shown in leading Zurich stores in connection with recent "British Fortnight." Five hundred manufacturers participated. Capital and producer goods were shown concurrently in Zurich by 300 British manufacturers in "British Industrial Fair."

UNITED ARAB REPUBLIC—Egyptian General Organization for Flour Mills, Rice Mills, and Bakeries to build 12 rice mills, 29 flour mills, and 274 bakeries. Total cost estimated at $35.8 million. Organization to import $266,000 worth of machinery to modernize existing mills.

Egyptian General Organization for Cinema and Television announces renewal of existing TV film exchange agreements with Britain, East Germany, and American Broadcasting Co. New agreements concluded with France, Japan, Communist China, and West Germany.

Previously initiated oil-concession agreement is signed with Italy's ENI, covering 26,000 kilometers of Delta area between Rosetta branch of Nile and Suez Canal, plus area in lower end of Suez Gulf. Oil discovered to be exploited on basis of 75-25 profit split in favor of UAR.

VIET-NAM—First fully modern automotive-battery factory being constructed under Government auspices. After completion in 1964, factory to begin producing 20,000 6- and 12-volt batteries and up to 500,000 battery plates annually. Plans call for increasing output to 30,000 units in second year and 40,000 in third year. Operations are under license from Electric Autolite Co., and all equipment purchased from United States. Currently, only local battery producer is Viet-Nam Development Co. with annual capacity of 22,500 units. Estimated annual market requirement of batteries in Viet-Nam is 66,900 units.

WEST GERMANY—Volkswagen to construct new assembly plant near Emden, port on North Sea. Selection influenced by anticipated increase in exports to United States.

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this issue

This 88-page issue is principally devoted to reporting on economic activities during the past 6 months in some 60 countries with which U.S. firms do business. Each article, prepared by the "country-desk" expert in the Bureau of International Commerce, is based upon foreign service reports that arrive daily from U.S. embassy and consular offices throughout the world.

All maps, incidentally, are intended only to indicate generally the location of the subject country, and boundaries are not necessarily those recognized by the U.S. Government.

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U.S. trade surplus slips

Merchandise exports up 2% for new high, but imports reach record $16.6 billion

By VICTOR O. McNABB
International Trade Analysis Division, OIRE

Merchandise exports (excluding military grant-aid shipments) which have been on the rise for the last 4 years, edged ahead to another high in the first half of 1963. They were valued at a seasonally adjusted annual rate of $21.47 billion, a 2 percent gain over the first half of 1962. Imports increased by 3 percent to a record $16.62 billion. The resulting trade surplus of $4.85 billion, at an annual rate, was slightly below that in the first half of 1962.

Exports financed by Government grants and capital jumped from an annual rate of $2.34 billion in the first half of 1962 to $2.85 billion in the first half of 1963. With these shipments removed from the totals, the resulting U.S. commercial exports showed a $175 million drop from the first half of last year, to an annual rate of $18.61 billion in the first half of 1963. The merchandise trade balance, also adjusted by excluding exports financed by Government programs, fell from an annual rate of $2.64 billion in the first half of 1962 to $1.99 billion in the first half of 1963, portending a continuance of the downward drift since 1960.

The trend picture for U.S. trade in the first half of 1963 was blurred by the dock strike which halted the movement of goods at East Coast and Gulf ports for 22 work days in January. In January, the work stoppage reduced nonmilitary exports to an annual rate of $11.8 billion and imports to $13.1 billion. Most of the losses appear to have been regained in the following months. Exports hit a rate of $25.6 billion in February and $23.9 billion in March before dropping to more normal levels in the succeeding months. Imports followed a similar pattern.

Both exports and imports are expected to advance during the remainder of the year. Exports should rise as economic growth continues in the industrial countries and the liberalization of trade barriers moves ahead. There is also some evidence that the competitive advantage of the U.S. may be improving. Imports will probably be pushed upward by increases associated with rising needs for industrial supplies and expanding consumer expenditures in the United States. Improvement in the balance of trade is not expected in the last half of 1963.

Exports to Canada gaining

Exports to Canada in January-June were $56 million above the annual rate for the same period last year, a gain of 1.4 percent. There was little change in the composition of U.S. exports to Canada during the first half of 1963. Only four principal commodity categories changed by more than $10 million from the first half of last year. Automobile parts for assembly and replacement went up $35 million, agricultural machinery and implements by $31 million, and civilian aircraft by $25 million. New passenger cars and chassis decreased $25 million.

A number of economic factors are unfavorable to expanding U.S. exports to Canada. Although economic activity in Canada has been increasing, there are some indications that the advance may have leveled off. Foreign exchange holdings are high, but have declined recently. The Canadian securities market has been depressed, possibly influenced by the slackening in the inflow of capital. The currency depreciation, beginning in 1961, has damaged the competitive position of many U.S. commodities relative to Canadian products. No uptrend in U.S. exports has been observed since the remaining tariff surcharges were removed in April. These surcharges had been imposed in June 1962 to improve the foreign exchange position. In addition, there may be a tendency for Canada to restrict imports as a means of reducing its trade deficit with the United States.

On the favorable side, Canada's new wheat sales contracts with China and the U.S.S.R. should stimulate consumer expenditures as well as add a reported $860 million to exchange earnings. A corresponding rise in the propensity to import could cause a substantial increase in exports from the United States, Canada's principal supplier, in the last half of 1963 and early 1964.

Sales to Japan rising

Shipments to Japan, second largest customer for U.S. goods, were flowing at an annual rate of $1.5 billion in the first half of 1963, up from the $1.4 billion

Table 1.—U.S. Merchandise Trade Balance (Billions of dollars)

					January-June at annual rates (seasonally adjusted)	
	1959	1960	1961	1962	1962	1963
Total exports, excluding military grant-aid	16.4	19.6	20.2	20.9	21.1	21.5
Exports financed by Government programs[1]	1.7	1.9	2.2	2.3	2.3	2.9
Other exports (commercial exports)	14.7	17.7	17.9	18.6	18.8	18.6
General imports	15.6	15.0	14.7	16.4	16.1	16.6
Merchandise trade balance, excluding military grant-aid	+.8	+4.6	+5.4	+4.5	+5.0	+4.8
Excluding Government financed exports	−.9	+2.7	+3.2	+2.2	+2.6	+2.0

Note: Figures may not add exactly due to rounding.

[1] Exports financed by Government grants and capital, including Export-Import Bank loans, as estimated by the National Advisory Council in 1959 and by the Office of Business Economics in subsequent years.

Source: Basic data of the Bureau of the Census.

in 1962 but considerably below the peak of $1.7 billion in 1961. Extremely heavy foreign purchases in world markets depleted Japan's exchange reserves in the latter year. Japan's balance of payments has now improved, economic expansion has resumed, and money wages have been going up.

Dollar gains in exports to Japan in the first six months of 1963 amounted to $32 million, a 4.3 percent increase over the same period in 1962. Important gainers were foodstuffs and crude materials: soybeans, grain sorghums, cotton, animal feed, logs, and woodpulp. Decreases were recorded for bituminous coal, corn, iron and steel scrap, and petroleum products.

Prospects are favorable for further gains in shipments to Japan in the last half of 1963, as consumer expenditures rise, the balance of payments position continues favorable, and the import liberalization program progresses.

Shipments to U.K. may move up

Exports to the United Kingdom of $517 million during the first half of 1963 were at about the 1962 level, decreasing by one-tenth of one percent. Deliveries to the United Kingdom, formerly the second biggest buyer of U.S. exports, have been declining since 1960 when they hit a peak of $1.4 billion.

This situation should change. Britain's balance of payments position has improved, and economic activity is beginning to accelerate as the government pursues expansionist policies. The improvement has made itself felt largely in consumer expenditures, with retail sales and production rising. Trade with the United States may be stimulated in late 1963 or early 1964 when there should be a pickup in deliveries of capital goods and equipment.

Rate of increase to Europe rising

Deliveries to Western Europe, excluding the United Kingdom, increasing less rapidly since 1960, began to rise at a quickening pace in the first half of 1963. Exports to these countries were moving at an annual rate of $5.7 billion in the first six months of 1963 as compared with $5.5 billion in the first six months of 1962, a gain of 3.4 percent. The corresponding percentage increases in the years 1960-62 were 34.8, 5.1, and 2.7. The increase for the first half of 1963 represents more than a 6 percent gain after deducting estimates of exports to Western Europe financed by U.S. Government programs.

The recent upturn in the rate of increase in exports to Western Europe may be the result of a number of economic factors favorable to U.S. export expansion. Following the severe winter, business activity has picked up again. Adequate credit facilities are available, and international liquidity is further improved. Gains in European disposable incomes have produced demands for a greater variety of consumer goods and a higher quality of foodstuffs, many of which are available from the United States. Wage increases in several major European countries have been relatively greater than in this country. This advantageous shift in costs should improve our ability to compete on a wide range of commodities. Western Europe has a greater margin for wage increases, however, because productivity in that area continues to rise faster than in the United States. In addition to these favorable fac-

Table 2.—Exports, Imports, and Balance of Trade, by Geographic Areas (Millions of dollars)

Area	1959	1960	1961	1962	January-June at annual rates 1962	January-June at annual rates 1963
	TOTAL EXPORTS, EXCLUDING SPECIAL CATEGORY					
Total	15,926	18,892	19,143	19,474	19,891	20,286
Canada	3,748	3,709	3,643	3,830	3,913	3,969
20 American Republics	3,526	3,478	3,415	3,222	3,265	3,135
Western Europe	4,535	6,318	6,287	6,371	6,560	6,744
Other areas	4,117	5,387	5,798	6,051	6,153	6,438
	GENERAL IMPORTS					
Total	15,627	15,018	14,713	16,397	16,209	16,497
Canada	3,352	3,153	3,270	3,657	3,529	3,676
20 American Republics	3,602	3,528	3,213	3,386	3,502	3,395
Western Europe	4,523	4,185	4,058	4,542	4,521	4,482
Other areas	4,150	4,152	4,172	4,812	4,657	4,944
	BALANCE OF TRADE					
Total	+299	+3,874	+4,430	+3,077	+3,682	+3,789
Canada	+396	+556	+373	+173	+384	+293
20 American Republics	−76	−50	+202	−164	−237	−260
Western Europe	+12	+2,133	+2,229	+1,829	+2,039	+2,262
Other areas	−33	+1,235	+1,626	+1,239	+1,496	+1,494

tors, U.S. efforts to increase our merchandise exports as a solution to the continuing balance of payments deficit seem to be starting to take effect.

Exports to Western Europe during January-June 1963 were $92 million greater than in January-June 1962. An increase of $42 million in exports to Spain was largely in commercial shipments of corn, vegetable oils, and aircraft. A gain in shipments to Italy of $34 million resulted primarily from increases in deliveries of nuclear materials, bituminous coal, and corn, while exports of aircraft and cotton declined in this period. A $25 million jump for Yugoslavia was largely due to increases of $6 million in cotton deliveries, and $31 million in wheat financed under PL-480, offset in part by a $7 million drop in nonferrous metals. Shipments to France were up $22 million, reflecting mainly increases in coal, machinery, and petroleum products and decreases in aircraft and cotton. Smaller dollar gains were recorded for exports to several other European countries, including Belgium-Luxembourg, Greece, and Denmark.

Sizable decreases in exports were recorded for three Western European countries in the first half of 1963 as compared with the first half of 1962. Exports to the Netherlands dropped by $34 million, principally in aircraft and machinery. Sweden showed a decrease of $14 million, largely in aircraft. A $12 million net decrease in exports to West Germany was due to reductions of $23 million in barley, $17 million in poultry, and $15 million in aircraft, offset by increases in machinery, soybeans, petroleum products, and a number of other commodities.

Western Europe is contributing increasingly to our merchandise trade surplus. As shown in Table 2, the export surplus with Western Europe of $2,229 million in 1961 contributed half of our total surplus. In 1962, this percentage had increased to nearly 60 percent, and was maintained at that level in the first half of 1963. The most favorable immediate opportunity for the United States to reduce its payments deficit lies in the further expansion of exports to this area.

American Republics decline

Exports to the Latin American Republics, drifting steadily downward since 1959, fell in the first half of 1963 3½ percent below the level for first half of 1962, to an annual rate of $3.2 billion.

The area's ability to import has been adversely affected by the downtrend in prices of some of the principal export commodities in recent years. These prices may have reached bottom late in 1962. The most salient reason for the decline in U.S. exports, however, has been the failure of the United States to retain its share of the Latin American market. Total imports into this area have been increasing slowly, while imports from the United States have declined. Europe and Japan, it appears, are outpricing and outselling the United States in this market.

The decrease in dollar deliveries to the Latin American Republics, excluding Cuba, was $98 million in the first half of 1963. Shipments to Argentina fell by $126 million due to major declines of $53 million in machinery and of $48 million in transport equipment. Exports to Colombia dropped by $19 million, mainly in machinery. Sizable increases in exports were recorded in the first six months of 1963, as compared with the first half of 1962, to Mexico, the Dominican Republic, and Brazil.

While funds for economic assistance to the Latin American countries are substantial and increases were planned for fiscal year 1963 over fiscal year 1962, it is nevertheless true that exports to this area are overwhelmingly of a commercial nature. For example, of exports totaling about $2.3 billion in the nine months ending March 1963, $153 million were under P.L.-480 programs and $56 million were financed by the Export-Import Bank. In addition, some portion of the AID expenditures of $196 million in this area during the nine-month period also represented commodity exports.

Exports to Far East are gaining

Shipments of U.S. goods to nearly all of the countries in the Far East were rising in the first half of 1963 as compared to the first half of 1962. Exports to the Far East increased by $220 million, made possible to a large extent through U.S. Government-financed programs.

Important gains were recorded in exports to six countries in the Far East in January-June 1963 and prospects are favorable for further expansion later in the year. A rise of $18 million to Australia, mostly in machinery and automobiles and parts, is expected to swell as economic activity increases there. Exports to New Zealand, which increased by $7 million, may expand further in the last half of 1963 in view of the relaxation of import licensing restrictions which became effective on July 1. Shipments to Pakistan increased by $55 million; of this total, $34 million was financed under P.L.-480, Title 1, for which payment is received in local currency. Exports to the Philippines were up by $19 million through June, mainly in machinery. A large expansion of the Philippine market is projected for the next two years, but the near-term outlook may be clouded by the dock strike, which began in May and was expected to last through October. Deliveries to Ceylon and Singapore each increased significantly.

Shipments to Western Asia, down $76 million from the first half of 1962, were reduced because of sizable decreases in exports to the United Arab Republic, mostly in vegetable oils and corn, and to Israel, Saudi Arabia, and Syria. Only Lebanon showed an increase.

Sales to Africa level off

Exports to Africa, excluding the United Arab Republic, have ranged between $720 and $760 million, at annual rates, since 1961. In the first half of 1963 the total included a larger proportion of commercial sales than in the same period of 1962, when there were substantial P.L.-480 grain shipments.

Five African countries imported more from the United States in the first half of 1963 than in the first half of 1962. Shipments to the Republic of South Africa, up by $12 million, included an $8 million increase in machinery. Exports to the Republic of Congo were $6 million higher, representing a gain of 20.5 percent. Smaller dollar increases, but relatively large percentage gains, were also recorded in exports to Ethiopia, Libya, and Nigeria.

Shipments to Liberia were $7 million, or 27 percent below the first half of 1962. Also decreasing by relatively large amounts were exports to Algeria, Morocco, Ghana, and British East Africa.

Commodities pattern mixed

The $74 million decrease in aircraft deliveries from the United States in the first half of 1963 was due to the near completion of contracts for re-equipping foreign airlines with long-range jet aircraft. Shipments in fulfillment of new foreign orders for short-range and medium-range jets from the United States will begin near the end of the year or early in 1964. Thus, 1963 is an interim year for exports of civilian aircraft.

Similarly, on the import side, arrivals of foreign aircraft into the United States were down 38 percent from the $71 million in the first half of 1962 when the French Caravelles were still coming in. Imports of aircraft will rise next year, when the United States will begin to receive from several European countries "executive" jets for feeder service. The United States has a favorable balance of trade in civilian aircraft and should remain ahead in the near future.

Petroleum exports were up 14 percent

from the first half of last year, mostly due to increases in deliveries of gas and fuel oil to Europe because of the severe winter. Competition from developing domestic supplies of natural gas may be expected in the near future. Shipments of petroleum to Japan fell 25 percent to $40 million, while deliveries to the Congo, India, and Australia increased substantially. Imports of crude petroleum, on which restraints are maintained by the United States to hold prices stable, increased five percent to $521 million in the first half of 1963. Certain liberalizing features, permitting import increases, are built into the U.S. oil import quotas.

The competitive position of the United States is deteriorating in iron and steel mill products. While exports increased by 8 percent in the first half of 1963 over the first half of 1962, to $244 million, imports went up 15 percent to a total of $263 million. Imports have been rising faster than exports since 1960, when we exported $1.49 worth of iron and steel mill products for every $1.00 imported. Our imports are largely low-value, off-shelf items, such as barbed wire, nails, rods, shapes, and reinforcing bars, on which the United States has long been outpriced. Our exports are high-value items, such as tinplate and sheets, on which foreign competition is getting keener.

Imports of automobiles and parts moved to a current peak of $289 million in the first half of 1963, an increase of 12 percent over the corresponding period last year. The gain represented some increase in the variety of new model foreign cars, and also a heavier influx of manufacturers' parts for distribution in the United States.

Exports of automobiles and parts also hit a current peak in January-June 1963 of $613 million. A sharp advance in shipments of parts for assembly, especially in new U.S. plants overseas, was partly offset by decreases in exports of new trucks and passenger cars. Automobile parts rose to $209 million, a gain of 21 percent.

Increasing imports of agricultural machines and parts were supplied primarily by U.S. manufacturers overseas. The 31 percent rise in the first half of this year over the first half of last year, to a record $111 million, continued a trend started soon after the war. Exports, also climbing, increased 9 percent to $300 million for another high. While the U.S. has price competition in agricultural machines, advanced designs and well-organized dealer services assure further expansion in exports.

The changes in U.S. exports of principal commodities in the first half of 1963, as compared with the first half of 1962, were few and scattered. Except for aircraft mentioned above, there were no changes of as much as $50 million except in power-excavating and dredging machinery and coarse grains.

Exports of power-excavating and dredging machinery were low in the first half of 1963 in comparison with the first half of 1962, when U.S. manufacturers made unusually large shipments for distributors' stocks overseas. These shipments were made in anticipation of U.S. strikes in 1963 in the plants, on the railroads, and on the docks. Until foreign inventories are reduced, expansion of exports cannot be expected.

Shipments of coarse grains, mostly corn, have been on a rising trend for the past five years, but our most recent export experience interrupted this movement. The drop of 12 percent in the first half of this year was attributed to our inability to move the grain because of frozen rivers in the midwest last winter and the dock strike at East Coast ports in January.

About 10 percent of the increase in exports of animal feed other than coarse grain represented higher prices. Demand for animal feed, especially soybean meal, is strong in Western Europe to support the continuing increase in livestock production there.

Wheat exports, also rising fairly steadily, might have been still higher in the first half of 1963 but for the dock strike. In the 12 months ending June 30, 1963 deliveries under PL-480 Title 1 were 75 percent of total wheat exports, the highest proportion to date.

Table 3.—Major Changes in U.S. Exports, by Commodity

Commodity or commodity group	Change in exports from first half 1962 to first half 1963	
	Millions of dollars	Percentage change
Feed for animals	+34	+57
Commodities for relief	+26	+42
Dairy products and eggs	+25	+40
Automobile parts and accessories	+36	+21
Organic chemicals	+24	+20
Soybeans	+34	+20
Coal	+32	+19
Petroleum products	+28	+14
Agricultural machines and tractors	+26	+9
Wheat, incl. wheat flour	+27	+5
Electrical apparatus	+23	+5
Coarse grains	−50	−4
Raw cotton	−36	−12
Metalworking machinery	−47	−20
Aircraft, civilian	−74	−33
Fertilizers, manufactured	−21	−36
Power-excavating and dredging machines	−53	−44

Imports rising

The $163 million net increase in imports in the first half of 1963 over the same period last year resulted from numerous small gains and losses by country of origin. Gains of more than $20 million in shipments to the United States were made only by four countries: Canada, Japan, India, and Trinidad. Other significant increases were registered from West Germany, Greece, Argentina, Italy, and Jamaica. Imports were down by $20 million or more for Belgium-Luxembourg, France, Brazil, Chile, and Kuwait.

Important changes in import commodity totals in the first half of 1963, in addition to the products mentioned earlier, occurred in foodstuffs, ores, and newsprint.

Coffee, showing the largest dollar shift, dropped by $50 million from the $403 million imported in the first half of last year. As there was little change in price, the decline represented a smaller physical volume of imports. The carryover of large stocks, built up in the last half of

1962 in anticipation of the dock strike, led to deferral of U.S. purchases in the first half of 1963. A rise in coffee imports was expected in the third quarter of 1963 to use up current quotas before a new quota year commenced on October 1.

Imports of sugar increased 19 percent over the first half of last year to $270 million in the first half of 1963. Further increases are expected in the last half of this year. Although prices have risen, quantities imported have also increased.

Imports of meat and preparations, coming mainly from Australia and New Zealand, have been generally on the rise since domestic beef production dropped off in 1958. Distributed in the U.S. principally by the food store chains, these foreign beef imports hit a new high of $241 million in the first half of 1963, up 14 percent from the first half of last year.

Iron ore imports

Iron ore imports declined $28 million, or 19 percent, as U.S. operators cut back mining operations overseas while domestic production remained about the same as last year. A $29 million, or 17 percent, reduction in imports of nonferrous ores was largely in tin and manganese. Imports of tin ores and concentrates from Indonesia, which started in 1946, were halted in 1962 when that country did not renew the contract due to construction of a new smelter.

Newsprint, coming mainly from Canada, dropped 7 percent to $317 million in the first half of 1963. The decrease was due to the long newspaper strikes in New York and Cleveland. U.S. producers have been supplying an increasing share of newsprint for the expanding domestic market in the last few years, without effect on the quantity of imports.

U.S. imports generally may be expected to continue to rise in the latter half of the year with increasing consumption expenditures in the United States and, particularly, with the prospect for increases in purchase of industrial materials. While imports of such materials decreased by a small percentage in the first half of 1963, pickup of U.S. purchases for inventory replenishment is expected.

Unless exports expand sharply in the last half, increasing imports may further reduce the commercial merchandise trade balance for 1963.

TV PRICES CUT

Prices of radio and television sets will be reduced by Italian manufacturers. This reduction is an attempt to curb the spread between list prices and those charged by discount stores.

Special reports

Presented in this issue are current economic reports on prevailing business conditions in more than 60 countries with which U.S. business firms trade.

The reports were written by experts in the Office of International Regional Economics, which is one of the facilities of the Bureau of International Commerce. Authors' names appear with articles, and material is prepared on the basis of reports received from Commercial officers overseas and from other authoritative sources.

James A. Farrell, Jr., to receive Robert Dollar award

James A. Farrell, Jr., president, Farrell Lines Incorporated, will be the recipient of the 1963 Captain Robert Dollar Memorial Award for distinguished contribution to the advancement of American foreign trade.

The award will be presented to Mr. Farrell in New York November 20 at the 50th National Foreign Trade Convention, it has been announced by the National Foreign Trade Council. More than 2,000 American business and government leaders are expected to attend the three-day convention.

Mr. Farrell will be the 26th American to receive the Dollar Award, which was established in 1937 by the late R. Stanley Dollar of San Francisco in memory of his father, Captain Robert Dollar, a pioneer of American shipping and world trade. The NFTC Board of Directors, as trustees of the award, unanimously approved the recommendation of the 1963 Award Committee.

Marshall E. Young, vice president, Monsanto Chemical Company, chairman of the 1963 award committee, will present the award, a gold plaque, to Mr. Farrell at the annual World Trade Dinner, concluding event of the Convention, which will be held November 18-20 at the Waldorf-Astoria hotel.

As co-founder and president of Farrell Lines since 1925, Mr. Farrell has been a pioneer in the development of export markets for United States goods and services in Africa and his steamship line has materially assisted in the economic growth of new nations south of the Sahara. Currently the chairman of the Committee of American Steamship Lines, he has long been an outspoken advocate of a strong U.S. merchant marine.

2 Alliance loans help Peru pay for U.S. road equipment

Peace Corps volunteers requested on remote road-building project

The Export-Import Bank has announced it will lend $1.5 million to Peru in an Alliance for Progress transaction to finance equipment for construction of a highway between Tulumayo and La Morada in north central Peru. The road will open new land for agricultural development.

The $1.5 million will be allocated from an $8 million line of credit approved by the Bank for Peru in 1960. The original line of credit, of which $5.6 million has been allocated, was for equipment to construct penetration roads into new areas to aid Peru's agricultural and resettlement program.

The present allocation of $1.5 million will finance costs of U.S. road building equipment and engineering services to construct a 47-mile section of the Tingo Maria-Tocache-Tarapoto East Andean highway. The road eventually will connect with the Trans-Andean highway. The road is planned by Peru to open the rich Huallaga River valley for development, and since it will follow bottom land no great engineering difficulties are foreseen in its construction.

The Bank authorized another $2 million Alliance for Progress loan to Peru for the building of access roads to remote Peruvian villages and towns.

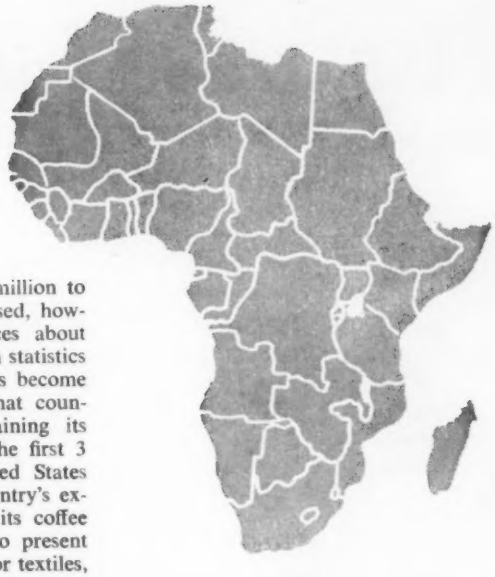
The Export-Import Bank of Washington has authorized a $2 million Alliance for Progress loan to Peru for the building of access roads to remote Peruvian villages and towns.

Chief among the equipment to be purchased in the U.S. with proceeds of the loan are trucks, concrete mixers, motor graders, rollers, jackhammers, blasting equipment, pumps, and quonset huts.

As early as 1920 the Peruvian Government began providing localities with technical help, tools, materials and supplies. Peru's local program is mainly on a "self-help" basis with labor and to some extent technical and skilled work being performed by volunteers. Past experience has shown this method of operation to have been quite successful. In addition to local help, the aid of Peace Corps volunteers has been requested.

Africa

U.S. trade maintained at high level; growing markets in many countries



By STEPHEN DUNCAN-PETERS
Africa Division, OIRE

U.S. exports to Africa in the first 6 months of 1963 remained high and maintained the very satisfactory levels achieved in 1962.

According to official U.S. statistics, exports to Africa for the months January-June 1963 totaled $358.8 million, only slightly below last year's total of $363.3 for the comparable period. Imports also remained at a high level as U.S. purchases from African countries amounted to $373.6 million for the first half of 1963, close to the 1962 equivalent total of $376 million.

At first glance, it would appear that U.S. exports actually declined slightly in 1963, but an analysis of the 1962 trade data reveals that they were somewhat distorted by substantial grain shipments —mainly under P.L. 480 programs— which had been necessitated by widespread crop failures in northern Africa. Fortunately, 1963 witnessed improved crop conditions in most areas and it is believed that the current statistics represent commercial trade shipments to a much greater degree than heretofore.

U.S. trade relations with a number of the larger African states have been reviewed in some detail elsewhere in this issue. There are many other countries and dependencies in that continent, however, which offer increasing opportunities for a still greater expansion of U.S. exports to their growing markets.

Libya

Libya, for example, is now reaping the benefits of substantial oil royalties and these earnings have been reflected in its foreign trade figures. U.S. exports of oil company supplies, exploration equipment, electrical machinery, appliances, transportation equipment, and similar items have increased, rising from $29 million in 1961 to $44 million in 1962. The first half of 1963 witnessed a continuation of this trend as U.S. sales recorded a 12% increase over the previous record figures set in 1962.

Ethiopia

U.S. sales to Ethiopia also recorded a very satisfactory increase of over 28% during this period, from $5.2 million to $6.7 million. It should be stressed, however, that AID usually finances about half of the U.S. sales. Ethiopian statistics show that the United States has become the third largest supplier of that country's imports while still remaining its most important customer. In the first 3 months of this year the United States accounted for 53% of that country's exports, purchasing the bulk of its coffee shipment. Ethiopia continues to present a relatively important market for textiles, raw cotton, vehicles and spare parts, machinery and tools, fuels, foodstuffs, electrical equipment, and building supplies.

Rhodesian Federation

The Federation of Rhodesia and Nyasaland also continued to be a good market for U.S. goods. Despite the prospect of imminent political changes, trade with the United States was actually some 5% higher for the first 6 months of 1963, reaching a total of $6.8 million (January-June 1962, $6.5 million). As usual, machinery and transportation equipment, manufactured goods, and chemicals were the most important products purchased by the Federation. That country's statistics indicated that in January 1963 U.S. sales attained a value of $2.6 million, the highest total ever purchased in any single month from American suppliers.

Other areas

U.S. exports also recorded noticeable improvement in several other African areas. This was particularly noticeable for Mozambique (up 40%), Equatorial Africa (up 14%), Malagasy Republic (15%), Sierra Leone and Gambia (15%), and tiny Mauritius, which has only recently found a market for its sugar in the United States, reciprocated by increasing its purchases of U.S. goods by 98%.

As was to be expected, the pattern of improving export sales did not hold true for the entire continent. U.S. sales were noticeably lower in some countries and this was particularly true of the Western African states, Tunisia, the Sudan, and the Somali Republic. In some instances, the decline was due to unusual circumstances and may be of only a temporary nature.

In Tunisia, for example, U.S. sales dropped some 38% below those of 1962, but that year had marked a record level in U.S.-Tunisian trade and should not be regarded as representative. Compared with 1960, when U.S. sales for the entire year totaled only $15 million, the current trade figures assume a different and more favorable perspective. The same factors hold true for the Sudan as the export figure for the first half of 1963 ($5.7 million) considerably exceeds the total sales for all of 1960 ($5.2 million).

More investments

Data on U.S. investments in Africa for the current year has not as yet been compiled but preliminary reports indicate that the continent's rich mineral resources, its unusual tourist attractions, its growing industrial development, and its rapidly expanding communications networks are attracting American, European, and Canadian investors to a greater degree than ever before.

A number of U.S. petroleum companies are seeking new oil concessions in Libya while other mining firms have already made major investments in development of iron ore deposits in Mauritania, Gabon, and Libya, as well as potash deposits in Ethiopia. Other U.S. firms recently have invested relatively substantial funds in local industries, for example, paper pulp in Ethiopia, canning and freezing facilities for fish in Congo, Brazzaville.

U.S. Trade with Africa, by Country

(Sales in thousands of dollars)

Country	U.S. Exports, incl. Reexports [1]			General U.S. Imports		
	1962	Jan.-June 1962	Jan.-June 1963	1962	Jan.-June 1962	Jan.-June 1963
Total Africa	979,883	509,595	476,572	758,884	393,483	384,178
Percent of U.S. total	5.0	5.1	4.7	4.6	4.7	4.7
United Arab Rep. (Egypt)	234,390	146,339	117,815	25,586	17,436	10,561
Total Africa (excl. U.A.R.)	745,493	363,256	358,757	733,298	376,047	373,617
North Africa and Horn, total	245,302	114,618	103,769	68,763	34,956	41,325
Morocco	52,638	34,528	30,103	10,739	7,220	3,850
Algeria	49,879	19,994	18,857	5,328	2,889	207
Tunisia	45,856	21,228	13,158	1,638	512	666
Libya	43,892	18,928	21,226	11,934	167	7,940
Sudan	12,897	6,194	5,711	6,953	1,600	1,907
Somali Republic	4,582	2,362	1,332	656	366	153
French Somaliland	665	423	616	585	428	147
Ethiopia	23,236	5,231	6,689	29,508	21,000	25,643
Canary Islands	9,614	4,721	5,533	1,407	764	808
Spanish Africa n.e.c.	2,043	1,009	544	15	10	4
Middle Africa, total	244,252	120,802	114,013	332,145	186,647	177,013
Cameroon, Fed. Rep. of [2]	4,266	2,521	1,823	6,947	5,724	3,889
Western Equatorial Africa n.e.c. (former French Equat. Afr.)	4,481	2,690	3,060	6,597	3,389	2,493
Western Africa, n.e.c. (former French West Africa and Togo)	29,958	17,659	15,971	40,485	28,480	27,470
Ghana	22,831	12,720	9,714	62,503	41,796	32,364
Nigeria [3]	33,666	17,213	18,799	47,732	29,096	23,719
British West Africa and Sierra Leone	3,073	1,370	1,571	9,875	8,818	6,853
Madeira Islands	916	407	312	3,013	1,151	1,114
Liberia	50,993	26,778	19,453	31,323	15,345	15,647
Seychelles and dependencies	7	4	3	103	42	43
Mauritius and dependencies	1,054	728	1,440	2,863	586	1,003
East Africa (Kenya, Uganda, and Tanganyika and Zanzibar)	21,360	9,947	7,236	57,174	25,575	31,993
Republic of the Congo (former Belgian Congo), Rwanda and Burundi	68,888	27,748	33,456	47,516	17,988	18,888
Malagasy Republic	2,759	1,017	1,175	16,014	8,657	11,537
Southern Africa, total	255,938	127,836	140,975	332,390	154,444	155,279
Angola	11,437	5,006	4,406	38,169	15,832	17,502
Mozambique	7,582	3,550	4,997	6,456	3,212	2,294
Western Portuguese Africa	360	147	179	1,419	463	1,588
Rhodesia and Nyasaland, Fed. of	13,634	6,524	6,817	29,612	5,011	9,389
Republic of South Africa [4]	222,925	112,609	124,576	256,734	129,926	124,506

n.e.c. Not elsewhere classified.

[1] Data exclude "special category" exports, and percentages are based on U.S. totals, excluding "special category."

[2] Figures for 1962 include former British Southern Cameroons.

[3] Data for 1962 include former Northern British Cameroons.

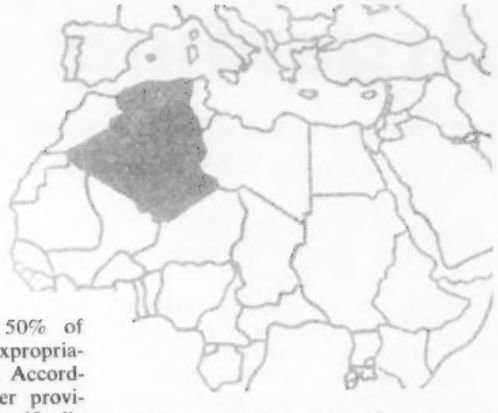
[4] South-West Africa and British High Commission Territories of Bechuanaland, Basutoland, and Swaziland are included.

Source: International Trade Analysis Division, BIC, U.S. Dept. of Commerce, from basic data furnished by the Bureau of the Census.

Algeria

Unrest continues to depress economy; U.S. sales limited to aid programs

By JAMES SEELEY
and
STUART M. MATLINS
Africa Division, OIRE



The economic progress of Algeria during the first 6 months of 1963 continued to be hampered by the depressing effects of industrial and commercial disruptions caused by the political developments of recent years.

The country is experiencing a steady decline in agricultural and industrial production, coupled with widespread unemployment and reduced levels of trade. Considering the market conditions in Algeria, U.S. exports in the months ahead will be largely limited to commodities financed under AID or the Food for Peace Program.

During the fiscal year 1963, U.S. aid to Algeria totaled approximately $79.6 million and the fiscal 1964 figures are expected to remain at about the same level.

U.S.-Algerian trade

U.S. exports to Algeria during the first half of 1963 amounted to $18.8 million, a slight decline from the $19.9 million noted for the first 6 months of 1962. During both periods, grain shipments under the Food for Peace Program accounted for a large portion of total exports. Those items which offer the greatest sales potential at this time are agricultural machinery, insecticides, fertilizers and repair-shop tools.

U.S. imports from Algeria during the first 6 months of 1963 amounted to only $207,000, a sharp decline from the $2.9 million registered for the same period in 1962. The 1962 figure was unusually high due to U.S. purchases of crude oil.

Lures investors

The Government has established a National Development Fund in an effort to attract foreign investments (Caisse Algerienne de Developpement—I.C., July 1, 1963), which is organized to coordinate new investments and to participate with private domestic and foreign investors in capitalizing new projects.

The Government adopted a new investment code on July 26, 1963, which provides for the refund of business profit taxes during the first 5 years, tariff protection, repatriation of up to 50% of profits and guarantee against expropriation without just compensation. According to Algerian officials, further provisions and guarantees not specifically spelled out in the text of the law may be subject to negotiations on a case-by-case basis. Copies of the law, in English, are available on loan from the Africa Division, Department of Commerce.

Currently, the Algerian Government is attempting to form a national petroleum company which will have minority foreign participation and will eventually enter all phases of the petroleum industry.

Plans are already underway for the Government to take at least a 50% investment in the construction of a new pipeline carrying petroleum from the Hassi Messaoud oilfields in Southern Algeria to the Mediterranean port of Arzew. American companies participating in this project are Mobiloil, El Paso, Newmont, Phillips and Sinclair. Algeria, recently admitted to membership in the IMF and World Bank, may seek to borrow funds from the World Bank in order to finance its share of the project.

Favored industries

The Government has recently indicated it will make a concerted effort to promote the following industries: processing of fruits and vegetables—canning, freezing and juicing; textile and leather; petrochemical; tourism; and those heavy industries which consume natural gas, of which Algeria has important reserves. Public projects such as the building of dams and irrigation systems financed by the development budget and foreign loans are expected to help sustain the demand for specific imports.

Economic indicators for Algeria show a substantial reduction in commercial activity and industrial and agricultural output during the first half of 1963 compared to the same period in 1962. One of the main reasons for production declines is the acute shortage of trained technicians in factories and other types of industrial outlets. Electrical production has gone down steadily since the first of the year, and the production of liquid gas has declined below the 1954 rate. In the industrial sector, the ACILOR steel works is one of the few plants that has returned to operation. The plant is now faced with finding markets for its production.

Harvest hampered

In the agricultural sector, Algeria is nearing the end of the 1963 harvest on some 3 million hectares of land, public and private, planted in cereals. Lack of equipment, manpower, and storage facilities and bad weather have hindered the harvest. In mid-August with the harvest season nearly over, harvested crops ranged from only 50% in some areas to 80% in others. Despite these difficulties the harvest may still be a good one if measured by local standards.

Nevertheless, continued help under the U.S. Food for Peace program will be needed. During the last 6 months of this year, up to 150,000 metric tons of foodstuffs will be provided to the Algerians, of which 66,000 tons will be available for use as wages in kind to workers in Algerian Government projects.

Only in the petroleum industry has production continued to increase. Crude oil production in 1962 amounted to 20.5 million metric tons, an increase of 31% over 1961. Annual production is expected to reach or even exceed 23 million metric tons in 1963.

Algerian Government royalties from oil for 1962 have been estimated at an equivalent of about $38.5 million and for 1963, about $44 million.

Additional information can be obtained from the following Department of Commerce publications:

Foreign Government Purchasing Agencies in the U.S. WTIS. Part 2, No. 61-42. 4 pp. July 1961. 10 cents.

Shipping Policy, Law and History, Basic Information Sources. WTIS. Part 4, No. 55-11. 7 pp. July 1955. 20 cents.

Argentina

Long-range prospects for U.S. trade are encouraging; '62 recession levels off

By J. M. Vor. STROEBEL
American Republics Division, OIRE

Although the immediate outlook for U.S. trade with Argentina is not bright, the apparently favorable prospects for a gradual upturn in Argentine business activity offer a promise of increased opportunities for the future.

The popular elections in July resulted in a restoration of substantial public confidence in future stability. This can be expected, however, to subside somewhat in the face of economic realities.

The low productivity during the 1962 recession is reflected in a drastic decrease in imports during the first half of 1963, but because exports increased, a favorable balance of trade has resulted as one of the mitigating aspects of Argentina's difficulties.

The decline in industry and domestic commerce which began in March 1962 seems to have levelled off during 1963, although industrial output and sales remain at a low level and unemployment has not decreased noticeably.

Following the election, the economy moved into a state of optimistic expectation. Stock prices spurted to record levels and the peso showed renewed stability. The agricultural recovery following last year's drought helped create demand for industrial goods and improved liquidity of the banks helped stem the recession.

To aid recovery the Guido Government adopted a series of measures to foster new investments and promote utilization of existing capacity. The return of public confidence led to evidence of renewed interest in deferred investments and resulted in the apparent return of some flight capital.

Confidence droops

Continuing internal fiscal deficits, combined with uncertainties regarding future policies and attitudes of the incoming Illia administration, have weakened public confidence in recent weeks, with resultant declines in the exchange rate and stock market prices.

The recession resulted in a sharp drop in demand for imports of industrial raw materials and machinery, the primary U.S. exports to Argentina. For the first half of 1963, U.S. data indicate exports of only $97.6 million, as compared with $224 million during the same period of 1962, a decline of 56.4%. Decreased exports were registered in all important commodity groups—machinery and transportation equipment, from $101.2 million to only $64.8 million; chemicals, from $13.7 million to $8.6 million; and nonferrous base metals, from $6.7 million to $500,000.

The value of U.S. imports from Argentina, on the other hand, increased by 30%, from $51.9 million to $67.5 million. The most significant increases were in imports of meat and meat products, $16.8 million to $24.9 million, and textile fibers, including wool, $19.1 million to $25.6 million.

Favorable balance

Argentine statistics indicate an increase in exports from $615.1 million to $659.7 million, and a decrease in imports from $677.9 million to $489.5 million, to give Argentina a favorable trade balance of $170.2 million during the first half, compared with an unfavorable balance of $62.8 million during the same period last year.

Meat sales of $150.7 million helped offset a decline of $80.8 million in grain shipments. Because of United Kingdom import quotas, largely filled in the first half of 1963, however, meat exports may not be as large in the second half of the year. The Argentines hope that imports of cooked meat into the U.S. will increase under new procedures which eliminate the need for recooking. Total wool sales amounted to $95.4 million, well above 1962 value.

Imports decreased in all major lines. Of special interest to U.S. traders, imports of machinery and vehicles dropped from $361.6 million to $168.5 million; iron and steel, from $70.4 million to $45.9 million; chemicals, from $43.1 million to $33.4 million; and fuel and lubricating oils, from $38.7 million to $27 million.

The U.K. remained Argentina's main export market, with a slight trade increase from $102.2 million to $105.3 million. Following in market importance were Italy, the Netherlands, the U.S., and West Germany. Trade increases were registered with Italy and the U.S., in addition to the U.K.; and decreases were reported in trade with West Germany and the Netherlands. Although the U.S. remained Argentina's chief supplier with 25% of total imports, the share in the corresponding period of 1962 had been 29.4%. Other leading suppliers were Italy, 12.8%; West Germany, 11.4%; Japan, 8%; and the U.K., 7.5%.

A standby agreement with the IMF was renewed in March, and in June and July the Argentines completed arrangements for refinancing a large portion of the foreign debt repayments due in 1963 and 1964. The IDB approved a $25 million loan to assist farm mechanization financing, and the following additional loans were signed with AID: a nonproject loan of $20 million; $3 million to finance feasibility studies in conjunction with the National Development Council; and $12.5 million to be matched by the Argentine Government for financing a national supervisory and coordinating organization which will facilitate formation and financing of mutual savings and loan associations.

Brighter prospects

Although the specific problems of a deteriorated wage-price relationship and high levels of unemployment remained unsolved, the leveling off of the decline in economic activity brought some comfort to the average Argentine and brighter prospects for the future.

Prices continued to rise during the period, but at a reduced rate. The cost of living index for Buenos Aires showed an increase of only 9% during the first semester, with most of the rise in the first quarter, compared with a rise of 15.3% during the corresponding period of 1962.

Australia

Trade and investment climate expected to continue improvement for U.S. firms

By DEANE BLACK
Far Eastern Division, OIRE

The Australian economy is continuing to expand and the additional incentives provided in the recently announced budget for fiscal 1963-64 will help assure a high level of activity for the coming months.

All indicators point to steadily increasing trade and business opportunities in Australia for U.S. exporters and investors. The GNP rose by 8% in 1962-63, unemployment is low, retail sales are on the increase, higher levels of production are being achieved in major areas, and foreign exchange reserves on June 30 were $1.2 billion, up 10% over June 1962.

U.S. exports up

U.S. exports to Australia in the first 6 months of 1963 were valued at $205 million, a rise of 10% over the same period of 1962 when they were valued at $187 million. Imports from Australia were $135 million, up 8% over 1962 when they were $124 million.

Sharp increases occurred in U.S. shipments to Australia of motor vehicles and agricultural machinery over the first half of 1962 while exports of unmanufactured tobacco, raw cotton, and metalworking machinery recorded declines. Synthetic rubber exports remained constant, and plastic materials and printed matter registered slight increases.

U.S. imports of meat from Australia in the first half of the year rose from the 1962 figure of $61 million to $73 million; imports of wool rose nearly 25% over the year before; imports of lobsters and lead pigs and bars declined.

Australia's external trade achieved a higher level during the first half of 1963 than for the same period of 1962, and the 1962-63 year ended on June 30 with a trade surplus of over $49 million compared to a deficit of $26.3 million at the same time in 1962. Exports for 1962-63 were $2.5 billion, a slight increase over the year before; imports were $2.4 billion, an increase of over 22% over the year before.

The largest increase in imports occurred in manufactured goods, particularly motor vehicles and parts, which doubled in value. Machinery and other producers' equipment also recorded large increases over the same period last year.

Exports of beef and veal were up 36% due mainly to higher beef exports to the U.S., while exports of wool and sheepskins and sugar also showed increases.

Second supplier

The U.S. was again Australia's second supplier, after the U.K., and the U.S. share of Australia's import trade rose slightly from 19.7% to 21.3% for the fiscal year ending June 30. Trading patterns continued to show a shift away from the traditional dependence on the U.K. as a supplier while competition increased from Japanese and Common Market suppliers.

Japan is currently the second largest purchaser of Australian goods after the U.K., while the U.S. is third.

All indicators point to steadily increasing trade and business opportunities in Australia. The newest products employing the latest techniques offer the best prospects in Australia.

Consumer goods which incorporate new, novel features, or are of advanced design, are likely to find a ready market, as are capital goods of proven quality even though they may be at a price disadvantage.

Competition may increase

A likely long range trend is for domestic and third country competition to increase, particularly from the Common Market and Japan. While the present level of imports from Japan is low, Japanese exporters are benefiting from:

The short delivery times in many lines, their growing reputation for delivering quality products and a generally improved psychological atmosphere in Australia toward commercial relations with Japan. The importance of the Japanese market to Australia is also receiving general recognition.

Government policy on protection for domestic industry against imports remains committed to encouraging domestic manufacture through higher tariffs and other means. However, references to the Special Advisory Authority for emergency protection have dropped off sharply and as long as economic conditions remain good, it is doubtful that requests for protection will be filed on the scale they were in the last 2 years.

Products offering the best potential for sales are such consumer items as sporting goods, toys, household hardware, hand tools and "do it yourself" products, and specialty foods.

Industrial and commercial goods include office machines and equipment, electronic instruments, irrigation equipment, control instrumentation, construction machinery including road building, specialized agricultural equipment, packaging and food processing machinery, oil drilling and exploration equipment, chemicals, building materials.

Investment climate improves

The Australian investment climate has shown continued improvement in recent months and total U.S. direct investments are valued at well over a billion dollars; in 1962, U.S. direct investment in Australia amounted to $104 million. Oil and other mineral devolpments have recently attracted considerable U.S. interest in the investment field as have cotton and cattle production.

The large increase in planned budget expenditure over last year and the emphasis in the 1963-64 budget on capital works of a developmental nature should provide further areas of interest for potential U.S. investors.

The U.S. is planning to send a Trade Mission to Australia (and New Zealand) next spring to investigate further the opportunities available to U.S. exporters in that market, particularly in capital goods equipment.

Additional information can be obtained from the following Department of Commerce publication:

Establishing a Business in Australia. OBR 63-108. 16pp. August 1963.

Austria

Access to expanding market improves with rising living standard, import liberalization

By ROBERT E. DAY, JR.
European Division, OIRE

Access to the expanding Austrian market is improving steadily for U.S. exporters, who can now take advantage of Austria's rising standard of living and progressive import liberalization measures.

An upswing in business activity toward the end of the spring season encompassed rising industrial output and a significant revival of foreign trade in both directions.

Market opportunities

Against this background the United State announced its decision to send a 7-man Trade Mission to Austria and Switzerland specializing in consumer goods, for which there is a strong demand. The mission will be in Austria during the first 2 weeks of November.

The U.S. Embassy in Vienna reports that a large number of Austrian firms are seeking to represent American firms or to import U. S. products, and that promising sales opportunities await alert businessmen in many product lines. Among them are leather and artificial leather, frozen foods, oils and fats, high quality pharmaceuticals, cosmetics, medical and other instruments, and a wide variety of chemicals. Electronic data processing is also reported to be gaining ground steadily. Many Austrian trade inquiries, such as those on automotive maintenance and service equipment, have been stimulated by the related exhibits of the U. S. Trade Centers in Frankfurt and London.

Other products listed among desired U.S. items are tools, labor saving devices, construction supplies and equipment, and various consumer goods.

Market development programs for poultry, meat, and tobacco, initiated by the U.S. Government in cooperation with U.S. business groups, are leading to increased consumption of certain types of these products. The campaigns stress poultry parts, rather than whole birds, and a filter-tipped cigarette containing approximately 50% U.S. tobacco.

On July 1, Austria extended its liberalization list—items not subject to quantitative restrictions—to include 104 additional products when imported from the United States and other GATT members. At the same time, it expanded the size of its global import quotas for most of the commodities not yet liberalized.

During the remainder of the year, U.S. exporters will continue to benefit from far-reaching unilateral tariff reductions and preferential duties, which range from 10% cuts to complete exemption and were designed to facilitate imports and combat domestic price pressures.

Austria's more liberal policy toward imports coupled with its difficulties in boosting exports significantly led to a trade deficit of $192 million by the end of June, compared to $132.5 million at the same point in 1962. It is expected that this deficit will continue in the months ahead.

U.S.-Austrian trade

As in the preceding year, U.S. exports to Austria got off to a slow start in the first quarter of 1963, but then picked up appreciably in the second quarter. According to Austrian statistics, the first half year ended with imports from the U.S. totaling $39 million, off slightly from the $42 million registered during the comparable period in 1962. Thus, the gains of the second quarter could not fully offset the setbacks of the first 3 months when U.S. exports to Austria dropped $5 million below the corresponding 1962 level.

One of the more striking consequences has been a further decline in the U.S. share of the surging Austrian market. Of total Austrian imports valued at about $824 million, the United States could account for only $4.8%, compared to a $5.7% share in the first half of 1962.

While Austria's total exports during the first 6 months increased slightly to $632 million, exports to the United States dropped to $22.6 million, or 3.6% of the total, from $23.1 million in the first half of 1962 (3.8%).

Big earners for the United States are still grains, tobacco, coal, chemicals, and machinery with cotton expected to reestablish its position among the leaders by the end of the year.

While Austria's two-way trade with its EFTA neighbors has increased slightly in response to EFTA tariff reductions, half of its export trade and 58% of its importing are still with the EEC nations.

It is in this context that Austria strives for an accommodation with the EEC. Meanwhile the need to increase productivity and improve the competitive position of domestic industry serve as incentives to Austria to move forward with additional import liberalization measures. Many sectors of Austrian industry are making only slow progress in correction of structural weaknesses, however, so that demands for continued protection persist.

Austria's gross national product is now increasing at an annual rate of 3% to 4% in real terms compared with 2.3% in 1962. Real growth of GNP during the second quarter may have reached 5%, compared with a sluggish 1% in the first quarter and 2.6% in the second quarter of 1962. It is yet uncertain, however, whether or not the mid-year revival in business activity constitutes anything more important and durable than a belated seasonal recovery.

The construction sector has been operating at full capacity throughout the summer, and steady gains were registered in transportation, energy production and consumption, retail business, and foreign trade. Industrial output participated in the general recovery. Tourist traffic continues to contribute heavily to Austria's foreign exchange earnings, although the modest 3.5% increase in receipts during the first half of 1962 covered only about one-third of the $12 million increase in expenditures abroad by Austrian tourists.

Under the combined impact of a sharp rise in the trade deficit and a decline in net earnings from tourism, Austria's balance of payments surplus declined to approximately $42 million at the end of June, a drop of nearly three-fifths from the comparable 1962 level.

Belgium

Economy shrugs off bad winter's effects; industrial imports jump

By ROBERT H. WALKER
European Division, OIRE

Despite an initial setback by the unusually severe winter, the Belgian economy at midyear had reached a generally strong position. The economy is in a more favorable position mainly because wage costs of European competitors are rapidly approaching or have passed the Belgian level, offsetting a former severe Belgian handicap.

Foreign trade is expected to rise, but at a lesser rate than last year. Much depends on the course of international price and market conditions, since Belgium's economy is intimately connected with international trade. Furthermore, the trend toward greater diversification and specialization of products, with less dependence on semifinished products and more on finished goods, has introduced an important stabilizing factor.

Belgium-Luxembourg (BLEU) imports from the U.S. for the full year 1963 are expected to come very close to the 1962 level of $451 million, even though the U.S. share of that market will probably slip to about 9% from 10% last year.

Industrial production should show some increase, although the labor shortage will intensify pressure on wage levels and continue to squeeze profits. The levelling off in investment, noted by midyear, is more than offset by rising private consumption.

Potential sellers

The following products have good potential for American exporters: frozen foods for home and restaurants; canned and dried fruits; fruit juices; animal food products and pet foods; sports clothing and rainwear; electronic components and equipment; electrical switchgear; sports, camping, caravaning and boating goods; toys, games, and hobbies, especially of educational or scientific (space-oriented) nature; air conditioning equipment for stores, public buildings and industrial uses; refrigeration equipment of all kinds; central heating and space heating equipment; machine tools; special metals and alloys; and automobile and garage accessories.

Increased competition in Belgium makes it essential that the U.S. exporter supply goods with styles and sizes adapted to the European market. Stockpile planning will insure regular deliveries to the European customer. Regular servicing by an effective staff and sales force is necessary to maximize the flow of business. Calibration of scales to the metric system and adaptation of electrical equipment to Belgian current characteristics are a prerequisite. Manuals must be in French and Flemish to permit any Belgian worker or housewife to use the product. Customary business courtesy, replying promptly to inquiries for quotations and to letters placing orders, will help generate expanded sales to Belgium.

Trade missions

Several industry-sponsored trade missions visited Belgium, aided by U.S. Government officials. A U.S. Trade Mission spent the month of June surveying the country, carrying with it the second highest number of business proposals (709) ever submitted by U.S. firms, and establishing nearly 2,000 new direct channels between U.S. sellers and prospective Belgian buyers.

Provisional BLEU data for the first half of 1963 showed imports of $223.8 million from the U.S., 5.9% above the comparable period in 1962. Nevertheless, the U.S. share of the BLEU market in this period declined from 10.2% to 9.3% in 1963.

U.S. data recorded exports to BLEU of $230.4 million, up 5% over the 1963 months. Though industrial items gained sharply, agricultural commodities generally suffered heavy losses. Cereals and preparations dropped 33.1% to $25.2 million, grain sorghums were down 31.1% at $8.9 million, and raw cotton was off 14.1% at $5.3 million. Machinery and transport equipment registered a healthy gain of 14.6% to $68.6 million, chemicals were off slightly under 1% at $35.2 million and other manufactured goods rose 27.4% to $40.3 million. Bituminous coal shot up 77.6% reaching $8.2 million, and organic chemicals rose 44.2% to $11.2 million.

The AGEFI index of industrial activity for the first half of 1963 increased 4.67% over the 1962 period. Metal manufactures slowed owing to slackening book orders and anticipated wage and fringe benefit increases. While flat glass demand declined, the plate glass situation proceeded at a satisfactory level. Electric power output was up 12.2%. Construction, though hampered by labor shortages, boomed after the severe winter. Textile production as a whole was slightly higher than in 1962 with West German demand bolstering the wool carpet sector. Steel production, 3.6 million metric tons, was only 1.1% below the 1962 half-year. Coal at just under 11 million tons was 2.2% higher, while stocks declined to 650,000 tons from 1.4 million at the beginning of 1963.

Investments welcome

Both the Belgian Government and Belgian industrialists continue to welcome U.S. investments, and the program to attract new investments continues. An increasing selectivity, however, has been noted regarding the granting of investment incentives. Private banks apparently are assuming an increasing share of industrial loans, formerly the special preserve of the main Government lending agency, the National Industrial Credit Corporation.

Additional information can be obtained from the following Department of Commerce publications:

Marking and Labeling Requirements of Belgium. WTIS. Part 2, No. 62-60. 2pp. October 1962. 10 cents.

Preparing Shipments to Belgium-Luxembourg. WTIS. Part 2. No. 50-28. 5pp. July 1960. 10 cents.

Licensing and Exchange Controls, Belgium-Luxembourg. WTIS. Part 2, No. 61-89. 4pp. November 1961. 10 cents.

Import Tariff System of Belgium, Netherlands, and Luxembourg. OBR 63-25. 3pp. February 1963.

Establishing a Business in Belgium. OBR 63-113, August 1963.

Brazil

Imports likely to be at slower pace than in 1st half '63; inflation increases

By GERTRUDE HEARE
American Republics Division, OIRE

Imports into Brazil from convertible currency countries in the immediate future are likely to be at a pace somewhat below the level prevailing in the first half of 1963.

The inflationary spiral in Brazil has intensified and the disequilibrium in the balance of payments has worsened. Steps have been taken further to restrict imports, particularly those from the convertible currency countries. An improved outlook for import trade depends primarily upon internal financial stabilization, increased international creditor support, and restoration of investor confidence.

Initial steps were taken to carry out the stabilization and development programs announced by Brazil at the turn of the year, but progress thus far has not been significant. Heavy budget deficits have continued to be financed largely through currency issues, and inflation has reached record proportions: Cost of living in the State of Guanabara (city of Rio de Janeiro) increased by 47% in January-August 1963, compared with 53% in the full year 1962.

Exchange rate depreciates

The rapid rise in prices has led to pressures for higher wages and for a revision in the legal minimum wage, which was increased by about 50% in January, 1963. The exchange rate for the cruzeiro has depreciated sharply: The selling rate of the Bank of Brazil for trade transactions is 620 cruzeiros to the dollar and the rate quoted by exchange houses has exceeded 1,200.

Financial assistance to support the Brazilian stabilization and development program has not developed in accordance with plans announced during the visit to the United States of the Brazilian Minister of Finance in March (INTERNATIONAL COMMERCE, Apr. 8, 1963, p. 6). A standby agreement has not been reached with the International Monetary Fund, and the Brazilian balance of payments situation continues in a state of disequilibrium. Outstanding medium- and long-term registered foreign indebtedness totaled $2.3 billion at the end of 1962, and a substantial backlog of commercial payments has accumulated.

Several recent measures have been taken in an attempt to promote exports and to reduce imports. Less exchange is made available by the Bank of Brazil; regulations regarding exemptions from the import deposit requirement have been tightened; and more stringent criteria have been established for approval of imported machinery and equipment financed abroad or representing foreign investments.

Foreign investment declines

Entry of foreign investments into Brazil has been reduced sharply: For example, machinery and equipment licensed for importation as capital investments, which totaled $107 million in 1960, amounted to only $2.8 million in the first half of 1963. Processing of applications for registration of existing foreign investments in Brazil (required by legislation of September 1962) has been delayed, with the result that remittances abroad on account of capital virtually have ceased. A committee recently was established to formulate regulations for implementing the law, which may simplify the task of registration.

Total U.S. exports to Brazil in January-June 1963 amounted to $218 million, up 4% from $209 million registered in the first semester of 1962. The rise in overall value of exports, however, was surpassed by the increase from $31 million to $46 million in shipments of wheat, comprising mainly sales of surplus grain under U.S. Public Law 480. Principal other commodity groups represented in first half 1963 trade were industrial machinery, aircraft and other transport equipment, chemicals and related products, electrical machinery, apparatus, appliances, coal, coke, and lubricating oils iron and steel, nonferrous metals and metal manufactures. Together these items accounted for 81% of the total.

Industrial machinery exports dropped sharply, from $46 million to $34 million. Aside from the rise in wheat shipments, the only principal export group that showed a substantial increase was transport equipment, owing to aircraft exports, up from $600,000 to $16 million.

The value of imports into the United States from Brazil declined by 8%, from $258 million in the first half of 1962 to $236 million in the like period of 1963. Coffee accounted for $180 million, or 70% of the total in the earlier period and for $150 million, or 63%, in the 1963 period. Imports of sugar, the next most important commodity in the 1963 trade, rose from $6 million to $26 million.

Total value of Brazilian imports from all sources rose slightly in the first semester of 1963, compared with the same period of 1962, and the export trade followed the same trend: Imports increased from $669 million to $675 million while exports increased from $560 million to $567 million. The cumulative trade deficit for the first half of the year thus amounted to $109 million in 1962 and $108 million in 1963. The U.S. share of the Brazilian import trade in the first 5 months of 1963 was 33%, compared to 31% in the full year 1962. In balance of trade, however, the U.S. continued to run a deficit with Brazil.

The rate of growth in GNP in 1963, based on preliminary data for the first 6 months is estimated at only 2.4%, compared with 3.5% in 1962 and an average of 7% annually in 1957-61. A growth rate of 4.8%, compared with 6.9% in 1962 and 8% in 1961, is estimated for the industry sector.

Additional information can be obtained from the following Department of Commerce publications:

Economic Developments in Brazil, 1962. OBR 63-70. 9pp. March 1963.

Brazil's Licensing and Exchange Controls. OBR 63-31. 11pp. January 1963.

Canada

Wheat deal with Soviets may broaden Canadian market for U.S. exports

By WINIFRED MARONEY
European Division, OIRE

The very large wheat and flour sale recently negotiated with the USSR has given a lift to Canadian prospects which seems likely to be translated into a broader Canadian market for U.S. exports over the next 12 months. Including this contract, Canadian wheat exports for the current crop year to end July 31, 1964 are expected to exceed 550 million bushels, more than 100 million bushels higher than any previous year.

The effort to move so much grain will tax all transportation facilities to the utmost, including those of the eastern winter ports. Employment and income should rise with this widely dispersed activity, which will be in addition to the more direct influence on farm income in the grain-producing Prairie Provinces.

The flour milling industry, stagnant for some years, has also begun to operate at capacity with closed mills reopened. Barring the spread of the labor trouble which was affecting Montreal at the beginning of October, the economy should rapidly regain the momentum it appeared to be losing over the summer and should push forward onto new high ground.

Favors U.S. trade

The immediacy of the stimulus favors U.S. trade because of the short supply line to Canadian commercial centers, particularly in the West. A counteracting possibility, however, is that its effect will not be as great as in past periods of Canadian economic growth.

The improved competitive position of local manufactures due to the depreciation of the Canadian dollar over the past several years is still a widely reported feature of the Canadian business situation, referring in part to the substitution of domestic output for imports. This tendency could be modified by the more insistent price rise some observers feel is in the offing.

However, there has undoubtedly been also some amplification of Canadian supply sources, which will affect the market for U.S. exports permanently.

In the first 7 months of the year, the overall value of U.S. exports to Canada showed only small change from last year. Commercial exports, including re-exports, were valued at $2,314 million, compared with $2,270 million in the first 7 months of last year. Including the strategic export, the trade appears to have held quite close to last year's $4 billion figure on the annual basis, again representing a 70% U.S. participation in total Canadian merchandise receipts from foreign countries.

The nearly static trade, with only a few selective increases, coincides with a Canadian situation in which the volume of industrial production and the Canadian dollar value of personal expenditures for goods and services have each risen about 5% over last year. In this latter advance, durables gained more than non-durables.

Farm machinery gains

The 30% rise in agricultural machinery is virtually the only change in the outstandingly important machinery category of this year's export. It reflects a radically changed situation of the Prairie wheat producers even before the Soviet sale was negotiated. Between 1960 and 1962 farm cash income from wheat rose by one-third, in Canadian dollar terms, while at the same time a shorter world supply position was being created which has made it possible to market 2 successive years of bumper crops, including this year's record 698 million bushels.

The farm outlook in the Prairies should continue good for some time to come. Increasing oil and gas production and spreading industrialization are also contributing to the regional economic activity.

The increase in the automotive category of exports through July was in the parts trade for Canadian production. New high records in Canadian auto sales in 1963 for the second straight year provide a good background. However, some volume loss in automatic transmissions resulted when 1 large maker began Canadian manufacture after Canada applied a 25% import duty last November to the previously free entry. Other Canadian producers are continuing to import automotive transmissions from the U.S. while endeavoring to build up parts exports from Canada so they can claim a tariff refund under the Canadian Government's incentive plan for export promotion. Extension of this plan is intended and details are expected soon.

A statement by the Minister of the newly-established Department of Industry indicates that the program being worked on with the automotive industry is not aimed at the restriction of imports, as has been mistakenly reported. These could remain large, even in non-essential classes, if a compensating export could be developed which would reduce the net drain on the balance of payments, particularly with the U.S.

The increase in coal exports which reverses a long run trend toward decline is an interesting feature of the 1963 trade. It coincides with and probably arises from a new production record in the Canadian steel industry, which uses U.S. bituminous for coking. Steel exports, however, have not risen. A larger chemical export is also indicative of increasing Canadian industrial production which provides aggressive competition to U.S. exports in some lines, but requires increased supply from the U.S. in others.

The decline in U.S. raw cotton exports reflected lower activity in Canadian cotton mills. Their fabric shipments increased but competition from synthetics again caused active concern. U.S. exports showed synthetics firm while the cotton fabrics and manufactures category continued to fall. In August, bale openings by the cotton mills began again to rise with the resumption of a more active pattern.

The buoyance arising out of the wheat sales had more than restored confidence by the end of the third quarter, and Canadian investment programs which in mid-year were undergoing upward revision, were said to be proceeding without interruption.

Central America

Rising area trade may change market demand; short-term outlook for U.S. goods mixed

By THOMAS A. BREWER
and
FREDERICK J. TOWER
American Republics Division, OIRE

Political uncertainties may dim prospects for U.S. exporters to Central America who otherwise can expect continuing good sales of automobiles, trucks, truck parts and accessories, pharmaceutical products, insecticides, tractors and agricultural equipment, industrial machinery and electrical equipment.

The market is competitive. In many instances, attention to sale terms and delivery dates is as important as a favorable price quotation.

Guatemala

The short-term outlook for U.S. exports to Guatemala is for a continuation of the 1960-62 trend when between 47 and 49% of the market went to U.S. suppliers.

A slight reduction in imports in 1962 ($133 million) over 1961 ($133.5 million) continued during the first quarter of 1963. However, U.S. figures show the Jan.-June value of 1963 exports to Guatemala up 10% from 1962. A decided improvement in the net international reserve position, record export earnings, and the liberalization of exchange control regulations imposed in October 1962 should provide an improved climate for U.S. exporters to increase sales.

The imposition of a series of new taxes affecting exports, income, and real estate caused some complaints from business and agricultural sectors in the first half of 1963.

El Salvador

U.S. exports to El Salvador, although remaining nearly constant in dollar value, lost a percentage share of the market during the first quarter of 1963.

Exchange reserves and bank deposits rose to all time highs during the first quarter of 1963, and record imports and exports gave El Salvador a favorable trade balance of $20,000. Nevertheless, the U.S. share of the market for the first quarter 1963 was only 30% compared to 36% for calendar year 1962, and the dollar value was off $500,000.

Imports from Central America rose from 10% in 1960 to 17.7% in 1962, while exports rose from 10.5% to 13.7%. There is also an increased tendency for El Salvador to acquire steel and steel products from third countries at prices 30% below those in the U.S.

Honduras

The U.S. share of Honduran imports dropped to 43% of total imports during the first quarter of 1963, compared to 51.7% for calendar year 1962. The recent coup against President Villeda may be a further depressant to sales in this tense country.

U.S. figures for Jan.-June 1963 show a drop of nearly $1.1 million in exports to Honduras, most of the loss occurring during the first quarter. In 1962, imports ($79.7 million, c.i.f.) were up 11% over 1961 and exports ($78.3 million f.o.b.) were up 9% over the previous year

The decline in the U.S. share of the Honduran market can probably be attributed, in part, to the strong participation of Honduras in economic integration.

Nicaragua

Business conditions in Nicaragua point to increased sales for U.S. exporters to that country, as nearly all segments of the commercial sector have reported excellent sales.

The U.S. share of the market in 1962 was 50.4%, 1.5% higher than the year before. It is probable that the 1962 dollar share of Nicaragua's imports ($49.5 million) will be equalled or exceeded in 1963. Since March 1963, the economy's growth has resulted in stability of the cordoba, with free convertibility.

Costa Rica

Exports to Costa Rica should rise in the short-term future, continuing the trend of the past months when U.S. exports were up in both dollar values and as a percentage of the total. First half 1963 figures indicate imports from the United States were up 29% in value over the same period of 1962, accounting for 48.1% of the $58.4 million total.

The country's economy is progressing at a pace comparable to that of the recent past. Although there is some ground for uneasiness in the softening of sales of some higher-priced consumer durables, this is considered temporary.

Recent deposit of 14 Central American economic-integration instruments, signed some time ago and ratified by the legislature in June, brings the country effectively into the Central American common market.

Panama

The outlook for U.S. exports to Panama is for further increases in dollar values, though perhaps the percentage of U.S. participation will be off slightly.

Panama's economy continued to show strong evidence of growth through mid-year 1963, with major increases in export trade, construction and agriculture. Conditions in the country are expected to continue good.

Excluding crude petroleum imports for the new refinery—all from non-U.S. sources—first quarter 1963 direct imports from the U.S. were 54% of the total, compared to 51% for the $66.7 million 1962 total. Adding to the percentage of U.S. market penetration is the unknown, but probably significant, percentage of imports of U.S. origin which entered the Republic of Panama from the Canal Zone and the Colon Free Zone.

Panama's entry to the Central American Common Market was the subject of an early September meeting in Guatemala at which 18 points concerning that country's association were agreed upon. Such association appears to lie in the future, however.

For U.S. exporters, the long-run effect of increased regional trade should be a change in market demand. A further shift to imports of raw materials and components from the category of finished goods should result not only from burgeoning regional trade but the planned step-up in industrialization.

Chile

Some progress made in slowing inflation but pressures mount for price increases

By RICHARD KENNEDY
American Republics Division, OIRE

Chile faces intensified pressures on its limited foreign-exchange holdings in the second half of the year because of difficulties experienced in limiting imports and maintaining exports.

Some progress has been made in slowing inflation, but pressures are mounting for price and wage increases which becomes more difficult to resist as the 1964 national elections approach.

Although Chilean purchases of U.S. goods are increasing at a substantial rate, this expansion is not likely to continue if the Chilean Government takes more effective steps to protect its foreign exchange position. Continued progress in the liquidation of commercial arrears will also hinge upon these actions.

Domestic economy expands

Expansion of the domestic economy, led by the construction industry, is expected to continue, spurred on by burgeoning consumer demand generated by rising wages, expectations of rising prices, and scarcities of some imported products. The cost of living continues to climb, rising 4.5% in July and 2.8% in August.

Disbursements under loans and credits previously granted to Chile, and further assistance under consideration by U.S. and international lending agencies, should continue to stimulate the Chilean development program and to create a hard-core demand for U.S. investment and imported goods. The new Chilean-U.S. Investment Guarantee Agreement still awaits approval.

Prospects for increased sales of U.S. products to Chile, particularly consumer goods, are likely to be seriously limited by Chilean trade and exchange controls. The best opportunities continue to lie in those fields where the Chileans are pushing forward their 10-year development program.

Chile will continue to require considerable quantities of capital goods for expansion of her construction, forestry, agriculture, metalworking, fishing and transportation industries. Strong demand continues for other types of industrial machinery, industrial chemicals, chemical specialties, fertilizers, pharmaceuticals, crude raw materials, electrical machinery, petroleum and petroleum products, some foodstuffs, and animals for breeding.

Chilean imports in the first half of 1963 totaled $288 million (up 22% from first-half 1962), while exports were valued at $272 million (down 3%), producing a trade deficit of $16 million. If imports continue at the high levels indicated by Chilean import registrations, a Chilean trade deficit for the year of between $30 to $50 million would not seem unreasonable. The seriousness of such a deficit is evident from the fact that a $14 million surplus was achieved in 1962, a year of severe exchange crisis.

Moderate improvements in the Chilean foreign exchange position had been reported for the first half of the year, but the trade deficit will certainly pose a new threat. The commercial bank exchange rate for the escudo, which had remained at about 1.88 to the dollar for some time, edged up to 1.926 on Sept. 26. The restricted brokers rate remained steady at 3.00.

U.S. share declines

Preliminary Chilean customs figures show that Chile's imports of U.S. goods reached $105.8 million (c.i.f.) in the first half of 1963, 14% above first-half 1962 levels. However, the U.S. share of the Chilean market declined from 39.2% to 36.8%. Indications are that a large portion of the predicted 1963 increase in Chilean imports will come from England, West Germany and Italy. The activities of English and German traders have been greatly facilitated by the extension of a considerable volume of short-term credit by commercial banks of those countries to cover previous Chilean commercial obligations to their nationals. Stiff competition is also being offered by Latin American Free Trade Association countries, particularly Mexico and Brazil, who are exempt from some of the more onerous customs surcharges and prior deposit requirements.

Exports to U.S. down

Chilean exports to the United States during the period were valued at $94.1 million, 34.6% of all exports, compared with $109.2 million, or 38.8% in 1962.

U.S. exports (f.o.b.) to Chile dropped 8.1% in the first half of 1963 to $78 million, while imports from Chile declined 17.3% below first-half 1962 levels to $98 million, according to U.S. Bureau of the Census figures. U.S. exports which showed gains in the first half of 1963 included: food and live animals ($7.4 million, up 59% from first-half 1962). due in part to a 139% increase in sales of unmilled wheat to $3.4 million, inedible crude materials ($5.3 million, up 194%); and petroleum and petroleum products ($2.2 million, up 18%).

Overall sales of non-electrical industrial machinery climbed 28% to $19.6 million, sparked by power generating machinery ($5 million, up 241%) which helped to counteract declines in miscellaneous machinery ($8.1 million, down 22%) and machines for special industries ($4.7 million, down 28%). Chemical sales rose 5% to $10 million, led by manufactured fertilizers ($2.7 million, up 64%), despite losses in medicinal and pharmaceutical products ($1.6 million, down 15%) and chemical elements and compounds ($1.1 million, down 14%). Sales of automobile spare parts remained steady at $2.7 million, up 1%.

U.S. exports' showing clear declines included: transport equipment ($9 million, down 33%), comprised of road motor vehicles, excluding auto spare parts ($4.1 million, down 25%) and railway vehicles ($1.8 million, down 62%); electrical machinery and apparatus ($6.2 million, down 13%); miscellaneous metal manufactures ($2.5 million, down 24%); iron and steel mill products ($1.9 million, down 30%); and animal and vegetable oils and fats ($0.2 million, down 92%).

Fore a more detailed account of recent developments in the Chilean economy, see INTERNATIONAL COMMERCE, Aug. 26, page 26.

Colombia

Stabilization program brings gains, balance of payments troubles remain

By HERBERT A. LINDOW
American Republics Division, OIRE

The outlook for the Colombian economy for the next 6 months is mixed. Gains have been made in the stabilization program, yet difficult balance of payments problems—necessarily restricting the volume of imports—remain.

On the brigher side, the inflationary spiral which boosted the cost of living by 25 percent in the first quarter has just about abated. Government revenues are being increased through a series of special tax measures paving the way for greater spending on development programs. At the same time, the Government has slashed internal operating costs by 10%.

Confidence maintained

Internationally, Colombia has been able to maintain a great deal of confidence. Numerous loans for development have been made by international lending institutions, long-term supplier credits have been granted by European countries, while investors have gone ahead with plans to expand plant and equipment or set up new operations. The Agency for International Development (AID) has continued its program of investment guaranties covering the risks of expropriation, convertibility, war, and revolution.

Despite problems, Colombia is still our fifth largest Latin American market for goods and services. She imports primarily industrial raw materials, semi-finished products, and capital goods. Examples of goods that Colombia imports in substantial amounts from the United States include: synthetic rubber, paper-making pulp, lubricating oils, animal oils and fats, plastic materials, manufactured fertilizers, textile- and leather-making machinery, agricultural machinery and implements, auto parts and accessories, paper and paper manufactures, tinplate, iron and steel sheets and pipes, hand and machine tools, accounting and calculating machines, professional apparatus and supplies, and many types of heavy machinery and equipment.

While Colombians have traditionally looked towards the United States for the bulk of their imports, they have also been increasing their purchases from third countries in recent years. U.S. exporters must therefore take care to assure that prices, credit terms, and quality of their goods are competitive. Credit terms of up to 120 days and in some cases 180 days are fairly common for various lines of industrial materials and intermediate products. For heavy machinery and equipment, credit terms go up to 5 years. Flexible credit terms may be, moreover, a decisive factor in the importer's obtaining an import license.

The United States is by far the largest supplier of goods imported into Colombia. Preliminary official Colombian statistics show that imports from the world amounted to $180.7 million, cost, insurance, and freight, for the January-May 1963 period. About one-half of the total—or $91.8 million worth—was imported from the United States. On the other hand, the United States took 50 percent of Colombia's total exports in the same period.

Since January, a large number of Colombian development projects have been submitted to a consultative group of 12 nations and to international lending agencies for possible financing. The total financing needed for these projects is $461 million. Of this, loans amounting to $144 million were approved through August 1963.

U.S. exporters of goods and services are in an excellent position to supply some of the requirements. Projects are in the areas of power development, telecommunications, transportation, agriculture, water and sewage, housing and industry. Foreign procurement by Colombian entities receiving loans is in some cases made by calling for international bidding; in other cases it is from countries granting long-term supplier credits.

Some of the Colombian entities (in Bogota) that have received loans or which may receive them in the future are: Empresa Colombiana de Aerodromos (national airports), Empresa Puertos de Colombia (seaports), Ferrocarriles Nacionales de Colombia (railways), Instituto de Credito Territorial (housing), Instituto de Aprovechamiento de Aguas y Fomento Electrico (electricity and water), Ministerio de Obras Publicas (Ministry of Public Works).

Important regional development organizations include: Corporacion Autonoma del Valle, Cali (electric power), Empresas Publicas de Medellin (municipal public works and utilities), Corporacion Civica de Barranquilla (municipal public works and utilities). A complete list of Colombian Government development organizations may be obtained from the Bureau of International Commerce, Office of International Regional Economics, Department of Commerce, Washington, D.C., 20230.

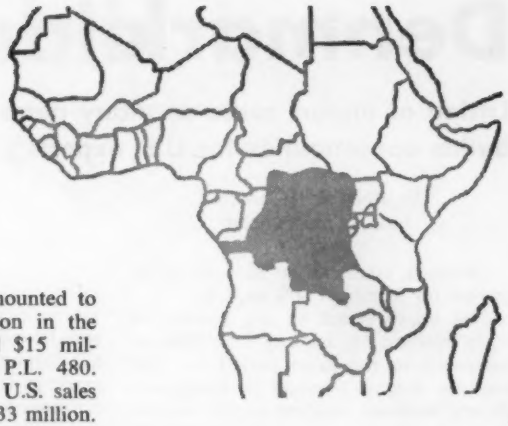
The Government, basically friendly to foreign investment, offers a variety of tax incentives to investors developing basic industries and to those who promote Colombian exports. AID and the U.S. Department of Commerce have established a special program to encourage participation of American private investment in joint ventures with local interests in 5 basic industries: food-processing, meatpacking, lumber and wood products, building materials, and metal-working. Firms considering these industries as possible areas of investment should write to the Bureau of International Commerce, Office of International Investment, Department of Commerce, Washington, D.C., 20230. Refer to File 2-1000-1.

A new private fund enables Colombian and foreign investors to obtain financing for Government-approved projects. Resources—mostly AID-supplied—are $40 million a year for the next 3 years. The fund is administered by the Banco de la Republica, Bogota.

Of interest to potential investors in the Barranquilla area is the sloughing-off of the sand bar at the mouth of the Magdalena River in July. This act of nature now permits ocean-going vessels to be accommodated at the maritime terminal at Barranquilla. It should also provide a stimulus for development of the Barranquilla Free-Trade Zone.

Congo

Aid program opens door for U.S. goods; good investment openings abound



By BARBARA HUDDLESTON
Africa Division, OIRE

American exporters retained their leading position in the Congolese market during past months, despite the continuing currency crisis caused by dwindling foreign exchange reserves and increasing inflationary pressures.

In a country whose trade was largely with Belgium up until 3 years ago, substantial American economic assistance has created an unusual trade opportunity. Stabilization of the Congolese economy will, however, probably cause some changes in trade patterns during coming months.

The Congolese Government has already introduced budgetary reforms and reorganized its fiscal administration; within the next few months Government officials and financial experts hope to put into effect a currency reform which will relieve the Congo from its excessive dependence on external assistance to cover its foreign exchange expenditures.

Although these measures will not bring about an immediate disruption of commercial relations, American exporters can expect increasing competition from European suppliers as the situation stabilizes and American aid is reduced.

Nevertheless, U.S. exporters who have used the opportunity created by the American aid effort should be able to expand trade in goods which will remain competitive after the aid level is lowered.

U.S. aid program

Since independence in June 1960, the Congo has received tied import aid amounting to $78.5 million and surplus agricultural commodities for local currency sales valued at $42.2 million. U.S. exports to the Congo have increased significantly during this time, both in absolute value and as a share of the market. Out of a $237 million import total in 1959, the Congo purchased only $31 million from the U.S. In 1962 however, the U.S. sold goods worth $54 million to the Congo, almost ⅓ of all Congolese imports for the year.

The Congo is expected to require about $66 million from the U.S. in import support and P.L.-480 commodities for calendar year 1963. During the first 6 months of the year, American aid amounted to about $25 million, $10 million in the form of direct assistance and $15 million made available through P.L. 480. From January to June 1963, U.S. sales to the Congo totaled close to $33 million.

Under the aid program, the Congo imported the following kinds of products from American suppliers: agricultural and industrial machinery and parts; motor vehicles and parts; petroleum products; iron and steel products; and pharmaceuticals, chemicals, and fertilizers.

Through PL 480 Title I sales, the U.S. has provided the Congo with these essential agricultural commodities: wheat flour, rice, corn, pea-beans, dried whole milk, canned milk, nonfat dry milk, butter, cheese, frozen chicken, leaf tobacco, and raw cotton content for gray cloth.

Acceptance spreads

The market for these types of products is expected to continue after the currency picture clears and the aid program is withdrawn. Expanding American trade with the Congo is generating familiarity and acceptance for U.S. products throughout the country; American businessmen who establish sound representation and concentrate their sales efforts on goods for which there will be a continuing demand should be able to retain an important share of the Congolese market for some time to come.

Although Congolese exports to the U.S. decreased from $31 million in 1959 to $13 million in 1962, total exports declined at an even greater rate over the same period, from $385 to $122 million. As a result, U.S. purchases from the Congo have increased as a percentage of total Congolese sales. Palm oil, rubber, coffee, and wood products are among the most important products exported by the Congo to the U.S. During the past 6 months, U.S. imports from the Congo amounted to around $8 million.

Investment outlook

While the Congo Government looks to the U.S. for private development funds, there has been very little American investment to date. To encourage U.S. private investment in the Congo, the U.S. has signed an Investment Guaranty Agreement with the Congo, enabling the U.S. Government to insure investors against inconvertibility, expropriation, and loss due to war, revolution, or insurrection.

Since Congolese entrepreneurs need technical assistance and industrial know-how as well as investment capital, American companies interested in creating permanent business links with the Congo may wish particularly to consider this increasingly important type of industrial sale.

The economic infrastructure of the country, which was built up under the Belgian administration, has, generally speaking, remained intact; when the current financial difficulties are resolved, the Congolese economy should be a fertile investment field. Industrial investment in the Congo should not only prove profitable, but could also help familiarize local businessmen with American products and enlarge the market for dollar imports.

Other publications

Additional information can be obtained from the following Department of Commerce publications:

Africa, Sales Frontier for U.S. Business; supplement to *International Commerce,* 1963, 131 pages. $1.00.

Import Tariff System of the Republic of the Congo (Leopoldville). OBR 63-82. 2 pp. March 1963. (Superseded WTIS, Part 2, No. 57-89.)

Market Indicators for Africa. WTIS. Part 3, No. 62-20. 12pp. October 1962. 20 cents.

Trade of the United States With Africa, Years, 1959-61, and Half-Years, July-December, 1960-61. WTIS. Part 3, No. 62-27. 4pp. September 1962. 20 cents.

Denmark

Lifting of import curbs on many items builds opportunities for U.S. exporters

By ANN C. HOLMES
European Division, OIRE

Denmark continues to be a favorable market for increased U.S. exports.

The improvement in the balance of trade position for January-June 1963 as compared to the same period in 1962 and the August increase in foreign-exchange reserves confirm earlier indications that the Government's program to curb domestic demand and bolster stability is proving successful. These developments justify the National Bank's recent action lowering the discount and rediscount rates from 6½ to 6%. The 6½% rate, a post-war high, had been in effect since May 1961.

Contacts

The U.S. Machinery and Equipment Trade Mission to Denmark (June 3-23) seems to have been a success in terms of contacts made, good will engendered, and trade opportunities developed. The interview reports will be useful tools in assisting American business to establish contacts with Danish industries, importing firms, and agents.

Again in 1963, the liberalization moves in January and July and the global licensing budget for July 1, 1963-June 30, 1964 provide opportunities for American exporters. Among the products freed from import restriction on January 1 were certain bulbs, refined fats and oils, fixed vegetable oils, fatty acids, hydrogenated animal or vegetable fats and oils, meat extracts, chewing gum, builders' carpentry and joinery products, concrete-reinforcing material, plumbers' fittings, bakery machinery, automatic vending machines, rectifiers, pianos, and special-purpose motor trucks and vans (including snow plows, spraying lorries, and mobile workshops).

Among the items liberalized on July 1 were electric motors, oil burners, refrigerators, electric water heaters and stoves, locks and fittings, cordage, acid-proof tubing and mixed dried fruits with a content of apples not to exceed 10%.

From U.S.

Imports from the United States for the first 6 months of 1963 amounted to $91.4 million (8.8% of total Danish imports) compared to $80.8 million (7.9% of the total) for the same period of 1962. While an all-time record grain harvest in Denmark in 1962 lowered the requirements for imported feed grains and vegetables and fruits, and transportation equipment declined in June of 1963, for the 6-month period of 1963 imports of feedstuffs and oilseeds increased 44% and 23%, respectively. Imports of machinery and equipment rose 50%; tobacco, 21% and plastic raw materials, 41%. (Feedgrain requirements are expected to decline to 660,000 metric tons in 1963-64 compared to 906,000 metric tons in 1962-63. About the same imports of corn and grain sorghum are forecast but the importation of barley is expected to decline.)

Denmark's balance of trade improved substantially in the first half of 1963. The trade deficit for the 6 months, January-June 1963, aggregated only $124.4 million against $229.6 million in the comparable 1962 period. This reduction in the trade deficit was due to a 15% increase in exports (from $790 million to $908 million), while imports were up only 2% (from $1,020 million to $1,038 million).

The principal factors responsible for the improved balance of trade were ► a sharp rise in machinery exports, ► diminished demand for grain imports following a bumper domestic harvest, ► depressed demand for automobiles as a reaction to heavy purchases in 1962 in anticipation of the increased turnover tax, ► severe ice conditions in Danish waters in the early months of the year, hampering imports more than exports, ► moderately higher prices obtained for major agricultural export commodities. However, the improvement is also being interpreted as an indication that the Government's economic measures are gradually having their effect.

Denmark's foreign-exchange reserves increased substantially in August, from $246.5 million on July 31 to $265.4 million on August 31. Capital inflows accounted for only a minor part of this increase.

Current gains in Danish industrial output appear to be somewhat less than the 6% advance registered in 1962. Hours worked have declined about 4% from 1962 levels, which means that increases in efficiency account for current growth. Rising costs during the first half of 1963 were mainly attributable to wage escalation and expensive money, though raw-material prices edged up temporarily during the winter months. Industrial investment appeared to be tapering off from the record levels of 1962.

Iceland buying more U.S. consumer, capital goods

Prospects for increasing U.S. exports to Iceland remain especially good in the fields of consumer durables and capital equipment including residential, school, hospital, church construction material and equipment, household appliances and personal motor vehicles.

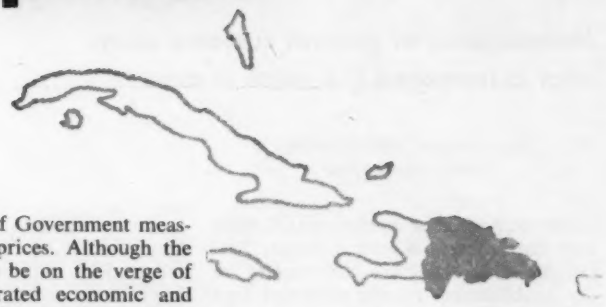
According to Icelandic Government estimates, industrial imports into Iceland in 1963 will amount to $28 million compared to $20 million in 1962. Four million dollars of this will be spent on electric power generation and distribution equipment; $11 million for vessels and aircraft; $3 million for industrial vehicles and $9 million for various other types of industrial equipment. Industrial imports for succeeding years are expected to be somewhat higher.

Total imports into Iceland from the U.S. for the period January-June 1963 amounted to $6.1 million. Of this total, grain and grain preparations accounted for $1.2 million; machinery, $1.2 million; and transportation equipment, $830,000.

The most important economic measures taken by the Government during the first 6 months of 1963 were the adoption of the Brussels tariff nomenclature, including a reduction in tariff rates, and the submission to Parliament of the long-awaited 1963-66 program.

Dominican Republic

Slowdown in trade, investment seen until economic policies are set forth



By ALFRED ORTIZ
American Republics Division, OIRE

Developments in the Dominican Republic during the next few weeks and months may substantially modify political and trade relations. The character of these changes will not be determined until the Dominican political kaleidoscope ceases it gyrations.

The Bosch administration, the first freely elected Government in the Dominican Republic in more than 3 decades, took office February 27 of this year and was deposed by a military coup September 25.

It is too early to tell how trade and investment will be affected, but a slowdown in both will more than likely result until economic policies of the provisional Government are set forth.

The following summary of the economic situation in the Dominican Republic through September 25, 1963, is designed to provide interim guidance and furnish background data as a foundation for evaluating future developments.

The Government of the Dominican Republic was tightly controlled by the military dictatorship of Rafael Trujillo Molina from 1930 until Trujillo's assassination in May, 1961. The United States supported the ensuing provisional Government in its efforts to eliminate Trujillo abuses through evolutionary rather than revolutionary programs and after Bosch was inaugurated endeavored to assist in establishing political and economic stability along the lines envisaged in the Alliance for Progress.

Mr. Bosch's policies were primarily in the direction of greater political freedom, with tighter fiscal responsibility and control. His actions were guided by his concern for reestablishing the country's overseas credit, balancing the national budget, controlling inflation, and organizing a thorough-going agrarian reform.

The rate of economic activity had gradually increased and gold and foreign exchange holdings improved after a $26 million private loan was obtained. The balance of payments picture, however, was clouded somewhat due to a decline in anticipated sugar production, which decreased export prospects. A continued increase in the cost of living was responsible for a number of Government measures to curb rising prices. Although the country appeared to be on the verge of a period of accelerated economic and social development, the rate of investment was not sufficient to make this possible. In general, during its first few months the new Government was involved in restoring business confidence and preparing the groundwork for a rise in the rate of development.

The climate for both trade and investment improved substantially. Some legislation was passed tending to encourage foreign investment; imports were encouraged by abolishing import licenses and clearing up a substantial part of the commercial arrears to overseas suppliers; and an industrial development law, which would grant tax and duty concessions to new industry, was under study.

Export earnings for 1962 amounted to $172.5 million compared to $143.1 million in 1961. Imports were also up in 1962, to $127.1 million as compared to $69.5 million for 1961. Indications are that the United States was gradually recovering some of the Dominican market which it lost during the period of sanctions in 1961. This was particularly true in trucks, automobiles, machinery, hardware, agricultural implements, and chemicals and pharmaceuticals. In the first 9 months of 1962, 46.9% of Dominican imports came from the United States, while 83.3% of its exports were sent to the United States.

Chances in construction

Revival of the construction industry should provide an increased market for exporters of materials related to the construction industry. There may also be increased opportunities for the sale of highway equipment, since the government was engaged in a road construction program and present equipment is inadequate. Programs, such as these, will probably be continued by the provisional government.

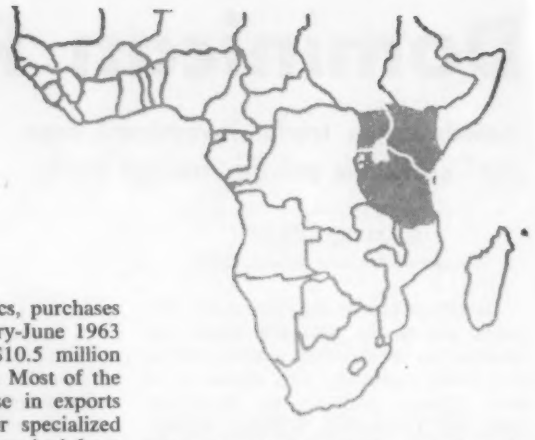
New industry began to appear after a long period of stagnation. In May a new cannery began operation in Puerto Plata. Electric power production, with the limited facilities available, continued to increase.

The United States was also assisting the Dominican Republic on its road to recovery with technical aid, loans, and grants. These consisted, in part, of a $3.5 million loan in February 1963 from the Inter-American Development Bank to finance low-cost housing; a $6 million loan in July 1963, also from the IADB, to assist in livestock and poultry development; and a line of credit under P.L. 480 for purchase of farm commodities.

Funds from the Agency for International Development consisted of a $2.1 million loan in January 1963 to support development of savings and loans institutions; a $25 million loan in February 1962 to provide foreign exchange for imports from the United States which were not on the AID negative list; and to complement this loan, in providing additional foreign exchange, a grant of $22.75 million in March of this year. Of this amount, $13 million had been disbursed by AID prior to the overthrow of the Bosch government, at which time the United States suspended diplomatic relations and halted all official transactions. It is understood, however, that import and export operations in the Dominican Republic will be continued, but shipments, transacted directly with Dominican purchasers through open accounts may encounter longer lags in payment than have recently been experienced.

Regarding goods financed by the Agency for International Development, all outstanding letters of credit will continue to be honored by the banks and may be serviced more rapidly. New letters of credit, however, will not be issued nor may banks honor requests for reimbursements from AID funds for goods shipped on or after September 25. Presumably, laws relating to trade and investment will be retained until or unless legislation to the contrary is enacted.

East Africa



Maintenance of present customs setup vital to increased U.S. sales in area

By MYRNA WEINSHANK
Africa Division, OIRE

The prospects for increasing U.S. trade with East Africa—Kenya, Uganda, Tanganyika, and Zanzibar—will depend on the establishment of the projected East African Federation, and the continuation of the present customs arrangement among the territories.

Kenya is expected to obtain its independence in December 1963, but the fate of the Federation is less certain. It appears that the East African Common Market will remain intact, and plans for a Central Bank may be implemented before political federation.

The uncertainty inherent in a situation of political transition has tended to slow the pace of trade relations and to change its character. Imports of capital equipment are down while those of consumer goods are on the rise.

During fiscal 1963, the Agency for International Development made about $28.5 million available to Kenya, Uganda and Tanganyika, and it is expected that the total for fiscal 1964 will be about the same. Since most of this financial aid is tied to U.S. procurement, the AID program represents an excellent opportunity for American suppliers to enter the East African market.

Generally speaking, the climate for foreign capital investment in Uganda, Tanganyika and Kenya is excellent; their location with regard to exporting manufactured goods to other parts of Africa is good, and they form a common market of about 25 million persons.

Growing awareness

There is a growing awareness within East Africa of the necessity of offering inducements to attract foreign capital. Tanganyika's National Assembly recently passed a Foreign Investment Bill, and it is expected that after independence Kenya will adopt a similar investment guarantee. Uganda is also expected to undertake a critical reevaluation of its overall investment policy shortly.

The value of East African imports remained almost constant during 1961 and 1962, and early indications are that the 1963 total will approximate its 1962 level ($379.5 million).

According to U.S. statistics, purchases from the U.S. during January-June 1963 fell to $7.2 million from $10.5 million in the same period in 1962. Most of the drop was due to a decrease in exports of corn and machinery for specialized industries. Shipments of corn had been abnormally high in 1962 due to famine relief (assistance under PL 480 totaled nearly $9 million), and returned to more usual levels in 1963. The decrease in machinery sales reflects a drop in demand for capital goods.

East African exports were approximately $387 million in 1962. Shipments to the U.S.—primarily coffee, tea, sisal and pyrethrum—were valued at $51 million (about 11% of the total). U.S. purchases from East Africa appear to be increasing; they totaled $32 million for the period January-June 1963 compared to $25.6 million in the same period of 1962.

Roadblocks

Among factors impeding the increase of U.S. exports to East Africa are the following: consumer brand loyalty toward European products; established channels of trade with Europe which have been built up over a period of years by the large East African import houses; and, the lack of presence of U.S. products in the East African market.

Other deterrents are the relative inexperience of African traders and the lack of contact with American products by the Asian trading community. Since the larger trading houses are European-controlled, the establishment and cultivation of agents among the more numerous Asians and Africans is a basic problem.

Efforts should be concentrated, first of all, on those commodities which are now being imported and marketed by single large import houses which stock replacement parts and provide servicing. These items include automotive vehicles; electrical appliances; air conditioners; farm, road-building, mining and irrigation equipment. Secondly, particular emphasis should be placed on products which are fairly new in the market but where local interest is strong. These include canned goods, textiles, clothing, hardware, building materials, pharmaceuticals, cosmetics and electric light fixtures. Aggressive action in these fields could yield as much as a 25% increase in U.S. exports with a more dramatic gain in subsequent years.

Slow but steady

In terms of economic growth, East Africa is making slow but steady progress. In each country, cooperatives and development corporations are supported by the respective governments and many industrial and public works projects are under way or in the active planning stage.

Tanganyika has announced investment projects which would mean a total capital expenditure by the private sector of about $73 million. Some of these may be of interest to potential U.S. private investors.

Additional information can be obtained from the following Department of Commerce publications:

Living Conditions in East Africa. OBR 63-100. 7pp.

Preparing Shipments to East Africa. OBR 63-13. 8pp. January 1963.

Establishing a Business in East Africa. WTIS. Part 1, No. 57-83. 8pp. December 1957. 10 cents.

Import Tariff System of East Africa. WTIS. Part 2, No. 59-35. 2pp. May 1959. 10 cents.

Investment Law in the Republic of Dahomey. OBR 63-104. 11pp. August 1963.

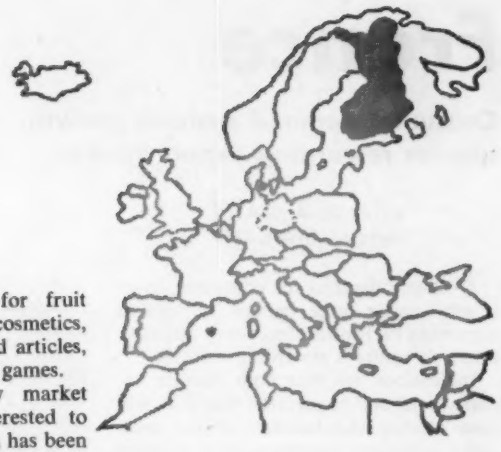
Preparing Shipments to Angola. OBR 63-85. 6pp. April 1963.

Import Tariff System of the Somali Republic. OBR 63-87. 2pp. April 1963.

Basic Data on the Economy of Ethiopia. OBR 63-117. 19pp. August 1963.

Preparing Shipments to Tunisia. OBR 63-83. 7pp. April 1963.

Finland



With economy operating on high plateau, demand for consumer goods remains high

By HAROLD A. McNITT
European Division, OIRE

U.S. exports to Finland are expected to show moderate gains in the coming months.

Demand for consumer goods remains strong, buoyed by recent nation-wide wage increases and a satisfactory employment situation. Investment-goods demand should remain relatively good as Finland continues to modernize its industrial plant.

The sharp economic advance of recent years has leveled off, however. Major economic indicators signify that the economy is operating on a high plateau.

Slight advance

Gross national product (GNP) advanced only slightly during the first 6 months of 1963. Industrial production moved ahead slowly. Finland's level of trade—affected early in the year by a series of strikes—was slightly below the corresponding 1962 period.

Official U.S. statistics indicate that our exports to Finland during the first half of 1963 reached $28.1 million (free-on-board value), 1% above the corresponding period last year. U.S. imports from Finland totaled $29.5 million, 5% under last year's record level.

Leading commodities

Machinery and transport equipment continued to account for the major share of U.S. exports to Finland. Shipments during January-June 1963 were valued at $11.2 million. Industrial machinery—including construction machinery—was in greatest demand, with sales reaching $7 million. Orders for power and agricultural machinery were brisk.

U.S. exports of foodstuffs and food preparations advanced 52% to $3.8 million. Crude-material shipments—spurred by large soybean sales—jumped 141% to $4.1 million. Declines were registered in U.S. exports of tobacco, tobacco manufactures, and chemicals.

The outlook for increased trade was brightened by Finland's move to increase its global quotas by 16% in early July (INTERNATIONAL COMMERCE, Sept. 2, 1963, p. 21). Of special interest to U.S. exporters are higher quotas for fruit juices, fresh fruit, chemicals, cosmetics, toilet articles, textiles, household articles, outboard motors, and toys and games.

Manufacturers seeking new market outlets in Finland will be interested to know that a U.S. Trade Mission has been announced for May 1964 (INTERNATIONAL COMMERCE, July 1, 1963, p. 7). The new trade mission—like its predecessor in 1961—is expected to generate many new trade contacts between U.S. and Finnish businessmen.

Recovery

Finland's world trade picture was slightly depressed during the first half of 1963 because of a series of strikes early in the year. By midyear, however, trade had advanced to a point not far below last year. Imports for January-June 1963 totaled $562 million, off 9%. Exports were valued at $486 million, a drop of only 2%.

Official Finnish trade statistics indicate that the U.S. share of the Finnish market was approximately 7% in the first half of 1963—a gain of one percent over first-half 1962. The United States ranked fifth among Finland's trading partners as supplier and fourth as purchaser during the period.

Finland's industrial output increased slightly during January-June 1963. Paper and paperboard production advanced 4% to a total of 1,263,000 metric tons. Chemical pulp production advanced 7% to 1,535,000 tons. Output of the important metal-working industry dropped sharply, however.

Reserves problem

The Government has been faced with a problem of maintaining adequate cash reserves. Parliament is expected shortly to enact legislation for long-range stabilization of Government reserves. Meanwhile the administration has averted the threatened cash crisis by new bond issues and minor tax increases.

A new 10% tariff cut on industrial and certain other goods entering Finland from other EFTA (European Free Trade Association) countries became effective on Apr. 30, 1963, bringing Finland's total preferential reduction on goods from EFTA countries to 50% on the established rates of duty.

Wage settlements

Labor peace prevailed after the conclusion of unusually difficult wage negotiations in first-quarter 1963. Industrial workers won increases of 5 to 6½%, while the Government's postal and railway employees gained increases of about 9%.

Reflecting strong consumer demand, retail sales moved ahead 10% in January-May 1963. Wholesale trade advanced 7% above the previous year.

Additional information can be obtained from the following Department of Commerce publications:

Economic Developments in Finland, 1962. OBR 63-54. 5pp. March 1963.

Preparing Shipments to Finland. OBR 63-2. 7pp. January 1963.

Basic Data on the Economy of Finland. WTIS. Part 1, No. 60-5. 10pp. February 1960. 10 cents.

Economic Developments in Finland. WTIS. Part 1, No. 62-14. 6pp. March 1962. 15 cents.

Establishing a Business in Finland. WTIS. Part 1, No. 60-20. 5pp. May 1960. 10 cents.

Import Tariff System of Finland. WTIS. Part 2, No. 62-44. 2pp. September 1962. 10 cents.

Licensing and Exchange Controls, Finland. WTIS. Part 2, No. 62-43. 4pp. August 1962. 10 cents.

Marking and Labeling Requirements of Finland. WTIS. Part 2, No. 58-52. 2pp. July 1958. 10 cents.

Travelers' Baggage Regulations of Finland. WTIS. Part 2, No. 57-48. 2pp. May 1957. 10 cents.

France

Consumer demand sustains growth, assures rewarding export market

By PAUL A. MAYER
European Division, OIRE

Sustained demand for consumer goods is the driving force behind the current expansion of France's economy and continues to assure a rewarding market.

Indications are that both French imports from and exports to the U.S. will grow during the balance of the year.

An unusually severe winter inflicted heavy damage to a number of industries and slowed the country's overall economic growth rate. Construction and transportation had suffered in particular, but other industries, running out of fuel and basic raw materials, also became temporarily affected. However, the basically sound French economy has easily overcome the aftereffects of the bad winter; and the upsurge has propelled general business conditions to new heights. While prices registered further increases, so did wages, and as prices in the U.S. remained almost stable, American exporters should now be all the more competitive in France for the dual reason of offering comparatively low-priced products to a comparatively high-priced market and of selling to consumers with an ever-increasing purchasing power.

Sales opportunities

Opportunities exist both for products in which U.S. shippers have established a market in France and in new lines demonstrating technical advancement. U.S. performance on the French market in the first half of 1963 as compared with the same 1962 period may permit conclusions as to the market potential for those products which have rung up substantially increased sales. Items which improved by more than $1 million included the following (increase shown in thousands of dollars): Mineral fuels and oils, 18,773; machinery and appliances, 7,475; precious metals and jewels, 6,544; optical, photo and medical apparatus, 5,071; organic chemicals, 4,515; tobacco, 3,860; residues from food industries, 2,915; oil seeds and oleagenous fruits, 2,020; edible vegetables, 1,751; knitted, crocheted goods, 1,237; paper pulp, 1,162; paper and paper manufactures, 1,114; musical instruments and parts, 1,092; meat, edible offals, 1,044.

American businessmen have come to recognize the importance of the French market. The U.S. Department of Commerce Trade Mission which investigated the opportunities in the consumer goods field in France last spring, was swamped with inquiries when its members returned to tell businessmen about their findings. The inquiries came not only from companies already engaged in foreign trade but also from newcomers who were curious about the market potential abroad.

Newcomer interest is also evident in the increasing number of Trade Missions going to France in the coming months. These missions, supported by the U.S. Government, are organized either by specific industries (such as the American Gear Manufacturers Association's mission scheduled for October), or by State Governments (Illinois Mission, late 1963; New York Mission, early 1964), or by other interested organizations such as Chambers of Commerce.

Participation in 1963 French trade fairs, notably at Lyon, has been highly successful for American exhibitors. Direct sales by American companies reached almost $1 million, and another $4.5 million is estimated to be booked through the Fair's additional impetus. Official U.S. participation at Lyon is again planned for the spring of 1964, and many of the American firms which exhibited their products on the general fair grounds in 1963 have expressed preference for exhibiting in the U.S. pavilion in 1964. Experience in 1963 has confirmed the sales appeal of American merchandise in France.

U.S. sales up 10%

The c.i.f.-value of U.S. goods exported to France in the first half of 1963 was $452 million according to French statistics, up 10% over $406 million in the same 1962 period. American imports from France, on the other hand, slipped 10%, from $225 million to $206 million, resulting in a trade balance of 2.2 to 1 in favor of the U.S. As in 1961 and 1962, the U.S. was France's second supplier (after West Germany). But while the dollar value of our shipments to France rose, the U.S. share of total French imports declined from 14.2% in 1961 to 13% in 1962 and 12.9% in the first half of 1963.

The principal U.S. exports to France in 1963 consisted of the following products (in millions of dollars, with comparable 1962 performance in parentheses): Machinery, equipment, and mechanical appliances, 138 (127); chemicals, 32 (27); aircraft and parts, 26 (28); cotton, 20 (26); scientific equipment, 24 (19); and mineral fuels, 31 (12).

The increase in mineral fuels reflects the rise in French purchases of U.S. coal from 360,000 tons during the first half of 1962 to 1.21 million tons during the first half of 1963. Cotton shipments continued their downward trend, encountering French buyer resistance based on price and quality considerations.

Trade balance

The trade balance, which early in the year had become negative due to large fuel and food imports, improved considerably as the year went on, and French exports in June covered imports by very nearly 100%.

Industry has been placing new workers at a daily average of 4,500 in 1963, and a labor shortage has developed which is now partially being balanced by a longer work week.

France's renewed upswing has led to some concern about financial stability. In mid-September, the Government introduced a series of measures aimed chiefly at absorbing some of the individual consummer spending power.

As these measures do not include a wage freeze and attempt stabilization through cooperation rather than enforcement, some observers believe they will not be wholly effective in halting further price rises. However, this disconcerting factor is more than offset by the soundness of most other sectors of the French economy and by the overall advantages to be gained from France's continued economic expansion.

Germany

Accelerated economic activity expected; excellent market for wide range of goods

By ROBERT E. DAY, JR.
European Division, OIRE

The Federal Republic of Germany and West Berlin will continue to constitute one of the foremost markets for U.S. goods in the months ahead. An accelerated improvement in economic activity is expected during the second half of 1963 encompassing foreign demand as well as private and public consumption.

Excellent market prospects are enjoyed by a variety of finished goods of U.S. origin, including labor-saving devices of all types, household appliances, automotive maintenance and service equipment, industrial safety appliances, packaging machinery, a variety of chemicals, several food items, and certain textiles and clothing.

The outlook is also bright for those commodities to be featured in forthcoming shows at the U.S. Trade Center in Frankfurt. The outdoor sporting goods exihibit now being mounted will be followed by commercial laundry and dry cleaning equipment from November 26-December 6. Advanced electronic components will take over the Center in January, followed by the recently announced Hi-Fi and Stereo Show in February.

In recognition of the boom conditions prevailing in the construction industry and the continued dwellings deficit, the United States will send a Trade Mission to Germany specializing in building supplies and equipment. The mission is scheduled for the month of March, with business proposals due in Washington by December 15.

In a market as diverse and sophisticated as Germany, U.S. exporters are limited only by their imagination and ability to compete. In the latter connection the round of tariff measures taken by the EEC on July 1 and Germany's hikes in its turnover equalization tax rates for some commodities, effective June 1, should be noted. It is still too early, however, to assess the full impact of these developments on the pattern of U.S. exports to the Federal Republic.

U.S. exports climb

Germany's imports of U.S. goods continue to expand rapidly. According to official German statistics, imports from the United States measured $1,049.5 million in the first half of this year, a jump of 21% over the corresponding period in 1962. Since total imports increased at the relatively slower rate of 4% to $6,324 million, the United States was able to boost its share of the market to 16.6% of all German imports.

The long-range trend toward greater imports of finished goods not only continued, but intensified during the January-June period. The generalization that the more advanced the stage of production the more lively the development of trade, applies equally to total imports and to those from the United States. Imports of U.S. finished goods in the first half of 1963 were $240 million greater than last year.

A significant factor in these developments was the marked increase in Government procurements abroad, especially of military hardware. Other commodity groupings leading imports from the United States in the first 6 months were nonferrous metals, chemicals and chemical products, machinery, motor vehicles and aircraft, electrical equipment, meats, grains, edible fats and oils, raw tobacco, and coal.

On the export side, Germany delivered $493.5 million worth of goods to the United States by the end of June, an increase of 8% over the first 6 months of 1962. Especially noteworthy are the gains by motor vehicles, up $37 million, and ships, up $13 million. Sales to the United States accounted for slightly over 7% of all exports during the period, which totaled $6,787 million.

Foreign demand up

In the past few months, foreign demand has reassumed a leading role among expansionary forces in the economy. The export surplus reached $463 million at mid-year, far surpassing the comparable 1962 level. Considering the magnitude of the trade involved, the 4.6% rate of increase for total exports is impressive.

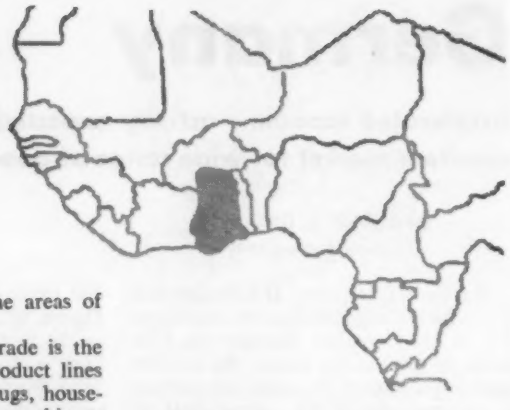
New foreign orders increased by 12% over the first half of 1962. As the increasing demand for machinery and several other commodities could not be translated into deliveries in sufficient time to affect first-half trade totals significantly, this factor will have a greater impact on developments during the remainder of the year.

Considerably higher growth rates in the second half of 1963 than in the first 6 months of the year promise to offset the inhibiting impact of a harsh winter and result in an annual increase in the gross national product of 3.5% in real terms by the end of the year. Inflationary pressures are tending to subside and labor shortages are becoming less acute. Although wages still show an upward trend, a moderation of wage claims and longer durations for negotiated contracts are much in evidence.

Recovery of foreign demand appears to be gaining momentum constantly and construction remains a forceful stimulant to the economy. Government and private consumption provide additional expansionary impulses, with the pace in retail sales picking up briskly in September. Against this background, former trends toward declining investment propensities have come to a halt. Coupled with a let-up of the profit squeeze, the current and anticipated development of aggregate demand is apt to warrant further expansion of industrial output which has been running a little more than 3% ahead of last year. With company profits expected to develop more favorably, new investments extending into 1964 are considered likely.

A sizable balance of payments surplus was recorded during the first 6 months of the year. Cumulative figures for the period show an unexpectedly high overall surplus of $587 million, to which the trade surplus and private capital inflows were the most important contributing factors.

Ghana



Two-way trade almost certain to be lower unless trend is unexpectedly reversed

By JOHN HOKANSON
Africa Division, OIRE

Because of Ghana's adverse trade and balance of payments situation and some uncertainty about the political orientation of its government, it is difficult to predict the future trend in trade relations between the United States and Ghana.

However, it now appears almost certain that the level of U.S.-Ghana trade during 1963 will be lower than in the previous year unless the trend shown by U.S. trade statistics for the first 6 months of 1963 is unexpectedly reversed.

U.S. exports to Ghana during the first half of this year totaled $9.7 million compared with $12.8 million for the same period in 1962. January-June U.S. imports from Ghana amounted to $32.4 million in 1963 and $41.8 million in 1962.

Traditional U.S. exports to Ghana include flour, rice, meat, drugs, fuels and lubricants, appliances, machinery and vehicles.

Cocoa is the main U.S. import from Ghana although manganese, timber and diamonds are also important.

In spite of stringent import restrictions and tariff increases, the overall value of goods imported by Ghana in the first 6 months this year amounted to $174.7 million, an increase of $18.9 million over the same period last year. This is according to provisional figures released by Ghana's Central Bureau of Statistics.

Exports, however, were lower than a year ago. During the first 6 months of 1963 these reached only $164.6 million compared with $197.4 million last year. The decline is attributed mainly to a decrease in tonnage of cocoa (Ghana's principal export crop) exported and the low prices for cocoa in world markets at the time the crop was sold. Also, exports of diamonds were reportedly down.

Has good potential

Ghana has the potential to be a solid African market for the U.S. if trade relations could be improved and import restrictions lifted. The country has one of the highest per capita incomes in West Africa and distribution channels are more highly developed than in some areas of the continent.

A point in favor of U.S. trade is the fact that several American product lines —including clothing, food, drugs, household appliances, vehicles, and machinery —already enjoy good reputations in Ghana.

In attempting to sell in the Ghanaian market U.S. businesses, however, face intense competition from the United Kingdom and other European nations which are established as traders in Ghana. Also, additional complications arise from the fact that a significant portion of the market has been tied to Soviet Bloc countries through bilateral trade agreements concluded in recent years.

Rough estimates of economic growth indicate Ghana's gross national product has increased at the moderate rate of about 3% a year in real terms over the past few years. Also, during the same period, there have been significant increases in price levels in urban areas and a problem of labor unemployment.

On schedule

Economic development projects, particularly the huge Volta River hydroelectric-aluminum complex, appear to be proceeding on schedule.

A new 7-year development plan scheduled to be implemented in October should provide some insight to Ghana's future. Although not yet finally approved, the plan is expected to call for increases in development expenditures in the next few years. Additional emphasis will probably be given to development of agriculture and the plan may stress industry and mining even more than earlier schemes.

Although the plan will be essentially a government program, it will undoubtedly contain forecasts of private activity. Since it is evident, in view of Ghana's limited capital resources, that large amounts of foreign capital will be needed, the Ghanaian Government seems to be actively courting potential foreign investors.

In April, the parliament passed the Capital Investments Act 1963 which was calculated in part to improve the investment climate. The act sets up a capital investment board that is to decide which investment projects will be approved to come under the provisions of the act.

The measure also provides that approved investments will not be subject to restrictions on the repatriation of profits after taxes or of capital after sale of an enterprise. Approved investments will be eligible for tax holidays, capital grants, and initial capital allowances.

No expropriation

The investment act stipulates that an approved project shall not be subject to expropriation by the government. If, however, under exceptional circumstances a project were to be taken over, the act guarantees payment of fair compensation. There is a provision for the International Bank for Reconstruction and Development to act as a last-resort arbiter in case of a disagreement over compensation.

Ghana has also established a National Investment Bank to assist agricultural, industrial and commercial enterprises by helping with establishment, modernization and expansion; by encouraging and facilitating participation of internal and external capital; and by counseling and encouraging small Ghanian businesses. The bank also seeks to bring together investment opportunities, capital and managerial talent.

Additional information can be obtained from the following Department of Commerce publications:

Basic Data on the Economy of Ghana. OBR 62-9. 10pp. November 1962.

Preparing Shipments to Ghana. OBR 63-93. 10pp. April 1963.

Import Tariff System of Ghana. WTIS. Part 2. No. 62-32. 2pp. June 1962. 10 cents.

Greece

U.S. exports to rapidly expanding market are running 32% ahead of 1962

By A. RUSSELL ROMER
European Division, OIRE

The continuing growth of the Greek economy enhances the prospects for U.S. exports to Greece in the second half of the year. Our exports to that market in the first half of 1963 were considerably above the 1962 level.

The political crisis, highlighted by the resignation of the Karamanlis Government, has not seriously interrupted the development of the Greek economy. The market reacted calmly to the crisis and confidence in the drachma remains high. Prices have remained stable and bank deposits have risen at a higher rate than the same period of 1962. Industrial production was up 4.1% during the first 5 months of 1963, but is expected to rise at a faster rate later in the year. Agricultural production is expected to rise by at least 6.5% over 1962 despite a severe winter and heavy spring rains. Industrial investment is still expanding under a favorable official climate, as it did in 1962. Foreign firms continue to show great interest in Greek investment.

On the other hand, general business activity, particularly public investment, was retarded somewhat early in the year by the effect of weather conditions and reduced rural purchasing power.

Outlook bright

The outlook for U.S. traders and investors is good. Various liberalization measures adopted during the first half of 1963 will benefit U.S. exporters. Import licensing controls on various types of machinery and parts which had been virtually embargoed since 1959 were lifted to facilitate procurement of modern machinery badly needed by Greek industrialists seeking to rationalize production. Greece no longer receives grant aid from the U.S. but it is still a recipient of development loans. Projects approved during the first half of the year included a $22 million loan for construction of a hydroelectric power plant at Kastraki.

American traders visiting Greece have found particular interest in electrical products, pharmaceuticals, chemicals, industrial machinery and consulting engineering services.

According to U.S. trade statistics, U.S. exports to Greece in the first half of 1963 were 32% above the 1962 level, totalling $47.8 million. Gains were registered in almost all commodity groups, with machinery, chemicals and automotive vehicles leading the way. Shipments of corn under the PL 480 agreement were also heavy. The U.S. share of the Greek market rose from 16% to 20%.

U.S. purchases from Greece totalling $17 million were slightly lower than in the comparable 1962 period. However, Greek statistics show heavy tobacco shipments were made which will probably show up in the U.S. figures later in the year. Tobacco normally accounts for the bulk of U.S. purchases from Greece.

2-way trade rise

Greek foreign trade for the first 5 months of 1963 showed a 13% rise in imports and a noteworthy 24% increase in exports over the corresponding period in 1962. Most of the gain in imports was accounted for by increased purchases of food products, industrial raw materials and consumer goods. The rise in exports reflected heavy shipments of tobacco, some of which were delayed sales from the latter part of 1962. Cotton exports were down.

During the first 5 months of 1963, Greece's overall balance of payments position was favorable. Holdings of gold and foreign exchange rose from $270 million to $288 million, as an increased flow of supplier credits, private capital, and receipts from shipping, tourism and emigrants more than offset a $147 million trade deficit.

Another factor in the budgetary picture is the lag in development outlays caused by the poor winter weather.

Public confident

Bank deposits have steadily risen, reflecting public confidence in the currency instilled by monetary and fiscal stability over the years. During the first 6 months of 1963 total deposits with commercial banks rose approximately $145 million to a record high $736 million. Most of the increase was reinjected into the economy in the form of bank loans, although a major share of these new loans went for short-term credits rather than long-term development loans.

However, the establishment of development bank subsidiaries of the 2 largest commercial banks in Greece with foreign participation should increase the flow of longer term credits.

In keeping with its overall policy of reducing the production costs in Greece and thus making Greek products more competitive in world markets, in April the Government reduced interest rates on working capital loans to industry by 1.5% and to the export trade by 1%.

Want small investors

The Government is also considering further measures to encourage small savers to invest in industrial development on a direct equity basis through the capital market rather than indirectly through the banking system. This is in recognition of the fact that too many Greek industries have an unhealthy ratio of loans to equity in their financial structures, thus inflating their costs.

Actually the availability of domestic capital for productive investment is not a problem in Greece. The Deputy Governor of the Bank of Greece recently estimated that there is at least $165 million in loan or equity capital available for investment during the present year merely seeking a satisfactory outlet.

U.S. investment activity in Greece has shown no sign of diminishing. A major stimulus is Greece's association with the Common Market, giving foreign investors eventual duty-free access to a market of over 170 million people. Opportunities for new investment are considered particularly promising in such industries as ready-made clothing, food processing, electronics, and tourist facilities. As one of several measures to promote U.S. investment in Greece, the government-controlled Industrial Development Corporation opened an information office in New York City in early June.

Hong Kong

Expanding import demand seen, as almost every sector of economy gains sharply

By MAURICE KOGON
Far Eastern Division, OIRE

U.S. exporters can greatly expand their sales in Hong Kong's growing market if they make the most of available opportunities.

As a free port, the Colony presents no obstacles to the U.S. exporter who, if he is willing to meet the keen worldwide competition, can sell practically anything there. With nearly every sector of the economy registering sharp gains in the first half of 1963, the prospect is for growing import requirements in most commodity categories. For Hong Kong, which has limited agricultural resources, almost no raw materials, and few import-substituting industries, an expanding industrial sector automatically generates rising import demands. In spite of this, however, the Colony's imports from the United States declined, even as its total imports increased.

Reasons for the decline in imports from the United States were mostly short run in character and are not expected to continue much longer. Most significantly, the higher price of U.S. raw cotton, our major export to Hong Kong, resulted in a shift to other suppliers and a loss of about $5 million in U.S. exports in the first half year. That situation should improve considerably by 1964.

Gain in some U.S. exports

In general, U.S. exports to Hong Kong did well. Among our principal exports, the following all showed moderate to substantial gains: Cigarettes and tobacco leaf, citrus and other fruits, frozen and canned foods, vitamins, animal feed, nonindustrial diamonds, shoe leather, synthetic fabrics, blackplate, air conditioners, and air-conditioning and refrigeration equipment.

Other products in rising demand in Hong Kong and which offer good opportunities for U.S. suppliers are lard, dry milk, sugar confectionary, stationery products, sporting ammunition, cosmetics, synthetic detergents, wearing apparel, insecticides, sanitary and plumbing fixtures, and construction equipment.

Competition is extremely keen in Hong Kong, as might be expected in a free trade area. To compete successfully against Japan and the United Kingdom, our principal competitors in the Colony, U.S. suppliers must be flexible in their approach to the market, particularly in regard to price, credit, servicing, and delivery time. Where quality and brand name are major factors in the sales appeal of a product, an effective advertising campaign is essential. Many U.S. products are already competitive in the market, but many more could be sold in Hong Kong with a more aggressive effort along these lines.

Several Department of Commerce programs are underway to try to bring about an improvement in our competitive position in Hong Kong. An official U.S. Trade Mission will arrive in the Colony in early November of this year and will almost certainly bring back many opportunities on the basis of discussions with Hong Kong businessmen. In addition, the findings of a market survey conducted in May of this year will be published shortly.

Foreign trade expands

Hong Kong data show that foreign trade continued to expand at a characteristically high rate in the first 6 months. Total exports of $412 million and total imports of $619 million rose by 13% and 7%, respectively, during that period. The main commodity categories were: For export—clothing, textiles, plastic flowers and toys, metal manufactures, and footwear, of which all but footwear increased; for import—textile, raw cotton, cereal and cereal preparations, nonelectric machinery, and electric machinery and appliances, of which all but cereals increased.

U.S. still in 4th place

The United States was the only major supplier not to have benefitted from the overall import increase, suffering a loss of $11.5 million (−14%), compared with January-June 1962. Imports from Japan and the United Kingdom increased by 8% and 17% to $100 million and $74 million, respectively. The United States remained in fourth place among the Colony's leading suppliers with 11% of the market, behind mainland China (18%), Japan (16%), and the United Kingdom (12%).

Sustained lively activity in industry, construction, and banking should have a stimulating impact on imports during the remainder of the year and probably for some time thereafter. No let-up in the Colony's business prosperity is in sight.

Despite a severe water shortage, which adversely affected production in some water-intensive industries, Hong Kong's major industries showed impressive gains in the first half of 1963, particularly textiles, transistor radios, plastic flowers and toys, flashlights and batteries, enamelware, cigarettes, rattan furniture, iron and steel, and shipbreaking.

Construction booms

In the construction industry, the building boom continued unabated. The value of construction work completed during January-June 1963 amounted to $34 million, up 31% from the first 6 months of 1962. Barring untoward occurences, construction already underway or planned should keep this sector active well into the future.

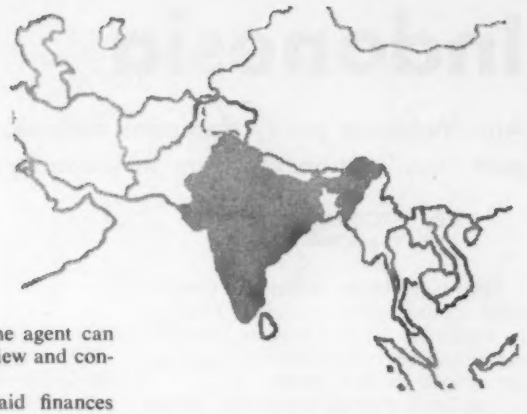
Banking activity reflected the high level of foreign trade and industrial expansion in Hong Kong in the first half year. Bank deposits reached a record high of $833 million at the end of June, an increase of $52 million since the first of the year. In seeking fuller utilization of available funds, most Chinese banks increased their business in financing instalment buying of durable goods, U.S. banks also increased their loans and overdrafts to local manufacturers, thus playing a more important role in the Colony's industrial expansion.

Additional information can be obtained from the following Department of Commerce publication:

Preparing Shipments to Hong Kong. OBR 63-55. 6pp. March 1963.

India

Imports for industry hold priority, with U.S. maintaining No. 1 position



By CELIA HERMAN
Near East-South Asia Division, OIRE

American exporters to India can look forward to another banner trade year in 1964. As in 1963 and earlier years, suppliers of industrial materials and machinery promise to be the most active groups.

India, now at the mid-point of its Third 5-Year Plan for Economic Development, continues to give top priority to industry-building imports. Questions arise as to the course of India's development in the months ahead: Will Communist China resume her attack? What new policies on trade and investment will result from the recent exodus of six major officials from India's cabinet to rebuild the Congress Party at local levels?

Only time can give the full answer to these questions, but generally speaking, India will continue to assign major roles to foreign aid and investment in order to diversify and strengthen her economy. Owing to India's limited ability to buy goods abroad out of her own exchange resources, the level of U.S.-India trade will depend largely on the amount of aid we extend. In the last 2 years, U.S. aid has been running at the rate of $435 million per year exclusive of P. L. 480, and is likely to continue at approximately that amount. No dramatic changes are anticipated in India's restrictive import policy, but some liberalization is rumored for imports by actual users, while further restrictions are expected for commodities now produced domestically in adequate quantities.

Eligible imports

More than half of U.S. aid is in the form of non-project assistance, which provides India with foreign exchange to cover purchases of a wide range of essential imports, such as nonferrous metals, steel, capital equipment, machine tools, cutting tools, fertilizers, industrial chemicals, and various other items. Modifications of this list of eligible imports are possible, if the situation warrants. Exporters desirous of having their product included should work with their agents in India to establish the product's essentiality to India's economy. The product must meet criteria of the Indian licensing authorities, whom the agent can approach for appropriate review and consideration.

The remainder of U.S. aid finances specific projects. So far in 1963, announcements have been made for electric power, railway, coal washery, and nuclear power projects.

The United States and other countries have pledged $1,052 million for India's current fiscal year ending Mar. 31, 1964 through the World Bank Consortium for Aid to India.

Upswing in U.S. items

U.S. exports for the first 6 months of 1963 at $362.4 million gave evidence of breaking $700 million for the year, compared with $668 million for the year 1962. This upward trend will persist for the next year or two as current and past aid-credits are used more rapidly. Shipments of wheat and rice, largely under P. L. 480, again led all other categories. These exports were valued at $134 million for January-June 1963, and at $238 million for all of 1962. The next largest group of exports were machinery and transport equipment which attained a value of about $90 million, against a total of $170 million for last year. Metals at just under $50 million were close to the pace set in 1962, when exports were a little more than $100 million. Pulp, petroleum, and chemical products gained.

Chief supplier

The United States is maintaining a firm position as chief supplier, with about 29% of India's market. The closest competitor is the United Kingdom, with about 16%. Other important suppliers are West Germany, Japan, and the Soviet Union. In all these cases, trade levels are sustained by large aid programs.

U.S. imports from India promise to exceed the 1962 total of $255 million. In the 6 months ended June 1963, imports totaled $150.5 million. Jute manufactures, cashew nuts, tea, ores, sugar, and hides and skins were the leading imports.

Bright spots in the Indian economy during the first half of 1963 were increased exports, especially jute goods, tea, tobacco, and vegetable oils, and industrial production, particularly steel, aluminum, trucks, jeeps, road rollers, machine tools, batteries, woolen textiles and tire-cord yarn. Disappointing features were the unusual spurt in prices of foodstuffs and other commodities, tightness of the capital market, and slowdown in investor interest.

Restraint

The Super Profits Tax (Apr. 1, 1963), restrictions on drug patents, uncertainties about mobilization for defense production, and continued time-consuming procedures required for investment approvals were primarily responsible for restraint in business plans. The number of joint ventures between India and foreign firms approved by the Indian Government in the first half of 1962 was only 148, compared with over 200 in the corresponding period of 1962. Important among the recent approvals was a joint venture between California Chemical and International Minerals Corporation of the United States and Parry & Co. of Madras, to be known as Coromandel Fertilizers, Ltd.

India's defense needs are still being assessed. The Government has engaged Arthur D. Little, Inc., of Massachusetts to consider means for expanding and modernizing defense production in the civil sector.

Additional information can be obtained from the following Department of Commerce publications:

India: A Growing Market for U.S. Products and Investment. OBR 63-26. 28pp. January 1963.

Economic Developments in India, 1962. OBR 63-57. 8pp. March 1963.

Foreign Trade of India, 1961-62. OBR 63-47. 8pp. February 1963.

Investment Factors in India. OBR 62-40. 26pp. December 1962.

Indonesia

Anti-Malaysia policy dampens outlook, puts stabilization program in jeopardy

By VIRGINIA WEBBERT
Far Eastern Division, OIRE

Steps taken by the Indonesian Government to protest the formation of Malaysia on September 16 may have very damaging effects on Indonesia's economy and the outlook for U.S. trade.

The Government's September 23 ban on trade with Malaysia is forcing exporters to reroute or find markets for 30% of Indonesia's exports now going to this area, including markets for refined petroleum products and processing facilities for tin ore and rubber. The ban also cuts off much-needed rice imports through termination of official barter trade with Sumatra. If the ban is continued, trade dislocations will reduce foreign-exchange earnings needed to finance imports and curtail revenues with which the Government hopes to balance the budget, eliminate deficit financing and curb inflation.

The anti-Malaysia policy places in serious jeopardy the economic stabilization program announced in May. Talks on new economic aid from the United States and other foreign countries sought for implementing Indonesia's program are being suspended until the Government's intentions toward Malaysia and the United Kingdom are clarified.

In 1962 about $75 million worth of Indonesia's imports from the United States (over 60% of the total) were financed with U.S. assistance (mainly P. L. 480 and drawings on Export-Import Bank loans, and to a small extent on Agency for International Development assistance). Such trade may be even more dependent on U.S. Government aid commitments in 1963 since Indonesia's foreign-exchange shortages and trade restrictions on less essential goods have been increasingly limiting non-assistance-financed imports.

P.L. 480, AID

The bulk of U.S. assistance this year will come from the P. L. 480 and AID programs since only about $7 million of authorized Export-Import Bank loans remain undisbursed (after drawings of $7 million in the first 7 months of 1963). Sales agreements under the P. L. 480 program amounted to $70 million in fiscal 1963 compared to $65.7 million in fiscal 1962, while AID grant and loan assistance amounted to $36.7 million in fiscal 1963 compared to $21.6 million in fiscal 1962. The higher 1963 level was due mainly to the March AID loan of $17 million for raw materials and spare parts, under which deliveries were beginning to arrive in the second half of the year.

The foreign-exchange and import regulations of May 27 (enacted as part of the economic stabilization program) may open up additional opportunities for U.S. sales through the retention by exporters of 5% of foreign-exchange proceeds for luxury imports or other unrestricted use. For the most part, however, prospects for increased sales hinge on a satisfactory solution of the trade dislocations caused by the anti-Malaysia policies and on the receipt of additional external aid.

Decline

The value of U.S. trade with Indonesia declined by 18% in the first half of 1963 compared with the first half of 1962. This reflected the Government's more stringent foreign-exchange allocations, particularly for less essential commodities. Reduced imports from Indonesia were due to the termination of U.S. tin-ore purchases, smaller purchases of crude petroleum and rubber, and a slight decline in rubber prices.

Exports from the U.S. to Indonesia in January-June 1963 totaled $55.5 million compared to $67.7 million in the comparable 1962 period. Higher shipments of P. L. 480 commodities, primarily rice (which comprised 40% of the total value of U.S. exports so far in 1963) were more than offset by cuts of about 60% in exports of machinery and transportation equipment (from $23 million in the first half of 1962 to $9.3 million in the first half of 1963) and other manufactured goods (from $11.7 million to $4.5 million in the same periods).

U.S. imports from Indonesia in January-June 1963 totaled $59.1 million compared to $72.3 million in the comparable 1962 period. Imports of crude petroleum, valued at $21.7 million, were 15% less than in the first half of 1962 while imports of crude rubber, valued at $19.6 million, had declined in value by about 17%. U.S. imports of coffee, tea, and spices, together comprising nearly one-fourth of the total value of U.S. imports from Indonesia, were 60% higher than in the first half of 1962.

Indonesia may receive balance of payments assistance through a $50 million International Monetary Fund loan extended in August and through a $12 million credit extended by Japan in September 1963. Under a recent arrangement, Indonesia's annual repayments on Soviet military and economic credits will be reduced by stretching out the repayment period.

Private investors

Domestic private enterprise has been encouraged by the new economic regulations, particularly by the elimination of most price controls, the permission to import goods formerly the monopoly of the Government, and the activation of long-delayed plans for establishing the Private Development Bank.

Another encouraging development is the Government's conclusion on September 25 of final working contracts with the three established oil companies (Caltex, Stanvac and Shell) enabling them to continue operating in Indonesia for at least a 20-year period. On the other hand, prospective U.S. investors continue to be discouraged by the absence of an investment guaranty agreement with the U.S., by the Malaysia development, and by recent anti-British demonstrations, including action by Indonesian labor unions against certain British holdings.

Additional information can be obtained from the following Department of Commerce publications:

Economic Developments in Indonesia, 1962. OBR 63-67. 7pp. March 1963.

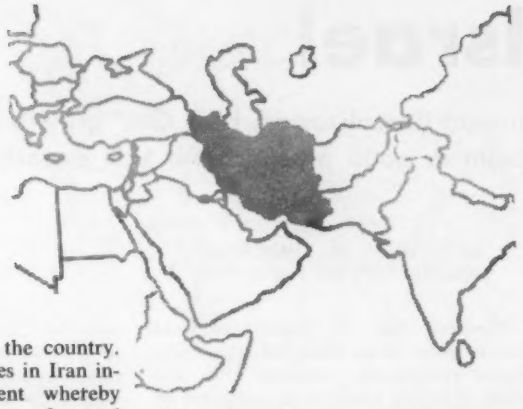
Licensing and Exchange Controls in Indonesia. OBR 62-34. 7pp. December 1962.

Foreign Investment Law of Indonesia. WTIS. Part 1. No. 58-86. 4pp. December 1958. 10 cents.

Iran

Improvement in economic conditions, prospects for U.S. sales seen by spring

By ROGER D. SEVERANCE
Near East-South Asia Division, OIRE



U.S. exports to Iran during the coming months are expected to move at about the same rate as in the first half of this year. Sales will continue to be adversely affected by stagnant business conditions and restrictions on imports. Some improvement in economic conditions and prospects for U.S. sales seems possible next spring.

Fiscal policies cautious

The long-expected economic revival in Iran has yet to be realized. Fiscal policies have been cautious and limited attempts at pump priming have met with sparse success. Increases in bank credit to the private sector during the past 6 months appear to have been offset by liquidations of foreign supplier credits and increases in bank deposits. Public investment in development projects through the Development Plan Organization, budgeted at $325 million for the Iranian year 1342 (March 21, 1963-March 20, 1964), totaled only $45 million for the first quarter. Civil difficulties in June also had a disruptive effect on business activity.

Hope for improved business conditions lies in expected increases in public investment. With oil revenues at a record level of $96.7 million for the second quarter of 1963, the harvesting of bumper crops of rice and wheat, and seasoned upswing of exports of fruits and carpets, the Central Bank may make more credit available, especially to the Plan Organization. Also, recent parliamentary elections and anticipated legislative support for the reform program may have a settling effect on business activity.

Annual import regulations are traditionally announced in the spring; however, there is little indication that import restrictions imposed on most types of lubricating oils, tires, and cotton and synthetic textiles will be eased at that time. In a minor relaxation of import restrictions in July, certain types of trucks were removed from the restricted list.

Iranian import restrictions have, however, fostered an interest on the part of some U.S. firms, in assembling or manufacturing operations within the country. Recent U.S. business ventures in Iran include a licensing agreement whereby facial tissues are now manufactured locally and a joint investment whereby a modern synthetic detergent plant will be constructed in Tehran. Plans for a second American tire plant in Iran are also underway.

Decrease in U.S. exports

U.S. trade statistics show a drop in U.S. exports to Iran from $51.3 million for the first 6 months of 1962 to $47.9 million for the first half of 1963. Exports of machinery fell from $13.5 million to $10.9 million, with agricultural machinery showing the greatest decline in this category from $3.8 million for the first 6 months of 1962 to $800,000 during the similar period in 1963. Exports of power generating equipment were also off.

U.S. imports from Iran rose to $43.4 million during the first 6 months of 1963 compared with $31.1 million for the first half of 1962. The increase was accounted for by crude petroleum imports which rose to $31.1 million from $18.2 million in the 1962 period.

According to Iranian figures, total imports for the year ended March 21, 1962, increased to $629 million from $577.2 million for the preceding period. Total exports, excluding petroleum, also increased to $128 million from $105 million.

Not included in the Iranian import statistics is the $50 million annual market provided by Oil Consortium purchases. These imports, which are not subject to the usual import regulations, cover a wide range of items—from drilling equipment, vehicles, and building materials to office equipment, and food. U.S. exporters in 1961 supplied less than 10% of this market, while U.K. firms accounted for over 50%. Much of the buying for the Consortium is done by its London-based subsidiary, Iranian Oil Services, Ltd. Purchases through local Iranian agents of imported as well as local products have been increasing, however.

Of potential interest to U.S. suppliers is the fact that the Iranian Government is placing increased emphasis on rural development. Financing of sales to agricultural cooperatives by the Agriculture Credit and Rural Development Bank is just getting underway. The Bank has granted short-term loans for purchase of such items as agricultural machinery, irrigation equipment, and insecticides. It is also making loans under a special $4 million program to finance deep water well construction.

Two U.S. AID loan agreements were signed on June 26, 1963. A $15 million loan was signed for construction of a deep water harbor at Bandar Abbas on the Persian Gulf. The loan will be used to finance dollar expenditures on material, equipment, and services. The Iranian Government has undertaken to finance nondollar costs of a road network linking the port with the interior. A second loan of $2.4 million covers an electric power survey in six leading Iranian cities to be conducted by a U.S. firm.

Efforts to expand Iranian exports were continued. A tentative agreement was reached with the European Common Market whereby tariffs would be reduced on Iranian caviar, 30 to 24%; dried apricots, 8 to 7%; and raisins, 8 to 7.2%. Common Market tariffs also would be reduced on high quality carpets and a duty-free quota on raisins established.

Additional information can be obtained from the following Department of Commerce publications:

Foreign Trade of Iran, 1956-58. WTIS. Part 3, No. 60-10. 4pp. May 1960. 20 cents.

Import Tariff System of Iran. WTIS. Part 2, No. 60-59. 2 pp. November 1960. 10 cents.

Licensing and Exchange Controls, Iran. WTIS. Part 2, No. 62-42. 4 pp. August 1962. 10 cents.

Israel

Import liberalization, high GNP growth rate point to good prospects for U.S. exports

By HOWARD M. ZIMMERMAN
Near East-South Asia Division, OIRE

Prospects for U.S. exports to Israel remain good in an economy which continues prosperous, provided U.S. suppliers maintain effective promotional efforts for their products.

Israel's gross national product continues to grow at the impressive rate of 10 to 12% a year and a program of import liberalization, inaugurated at the beginning of 1962, has freed over half of all Israeli import items from administrative import licensing controls. A first modest result of this liberalization, as indicated by preliminary data, has been an increase in Israeli imports of consumer goods at the same time that larger imports of investment goods have been resumed. Since inauguration of the program in early 1962, import licenses have been granted covering $4.2 million in goods formerly totally protected. By August 1963, $1.8 million of this had actually been imported.

Although there are indications that the liberalization program has tended to slow down in recent months due to pressures from local manufacturers, administrative controls are being removed on 23 additional commodities covering formerly protected products. Many of these items should be of interest to U.S. suppliers, including irrigation pipes and fittings, plumbing fixtures, and a number of electrical items such as circuit breakers, fuses, switchboards, starters, and elevators.

Highly competitive

The market, however, is highly competitive and aggressive salesmanship is required if the United States is to maintain in 1963 the high 33% share of the Israeli market attained in 1962.

Israeli trade statistics covering the first 4 months of the year point toward a relative decline in the U.S. share of the Israeli market. The U.S. percentage share of the market, 34.4% in the January-April period of 1962, fell to 25.1% in 1963. At the same time, other countries improved their relative positions; the U.K. increased from 16.7% in January-April 1962 to 20% in the 1963 period and the Common Market from 23.9% to 25.2%. According to Israeli sources, total imports during January-June 1963 were $320 million compared with $298.5 million in 1962.

U.S. trade statistics reflect a similar trend. Sales of U.S. goods to Israel during the first 6 months of the year were $71.4 million, down from the $90.5 million figure recorded for the corresponding period of 1962. The decline came at a time when the level of total Israel imports increased. While sales declined slightly in most important categories of goods, most (about $17 million) of the difference can be attributed to Israeli purchases of U.S. aircraft in 1962 which swelled the import level in that year.

Good salesmanship works

Some observers feel that a greater emphasis on effective salesmanship would do much to increase U.S. sales during the remainder of the year, especially in those lines where U.S. suppliers have traditionally excelled, such as machinery and transport goods, telecommunication equipment, construction equipment, and manufactured goods. This observation is based on indications that the Israeli market is extremely quality conscious, the determining factor in concluding a sale often depending on the performance and quality of the product rather than the price.

Recently in Israel, an order was placed for a high quality U.S. manufactured product, the sale being made despite stiff competition from suppliers in other countries whose quotations were, in some instances, 15% lower than that of the U.S. supplier. In addition to offering a quality product, this U.S. supplier enhanced his chances of landing the order by making samples of the product available for testing. This emphasis on quality and performance tends to be reinforced by the promotional efforts of Israeli representatives of U.S. firms.

Trade deficit reduced

Israel's foreign trade deficit for the first 6 months of this year was reduced 27% compared with the same period of 1962, according to preliminary figures released by the Israel Central Bureau of Statistics. The improvement was mainly a result of increased exports of two commodities: Citrus fruit exports were up by $23 million and polished diamonds by $15 million. Exports of citrus, mainly to Western Europe, rose from the 1962 January-June figure of $41.9 million to $65.5 million in the same period of 1963 while diamond exports rose from $40.2 million to $54.5 million. The total value of exports rose from $150.6 million in January-June 1962 to $200 million in 1963.

Inflationary pressures from large inflows of foreign investment capital into Israel has prompted the Government of Israel to take a less positive stand on the encouragement of foreign investment, especially in Israeli banks, trusts, and real estate. Foreign currency investments approved by the Israel Investment Center during the first half of this year were only one-third of what they were in January-June 1962. The Center approved 121 applications to set up new enterprises or expand existing ones, involving investments of $31 million in foreign currency and 41 million Israeli pounds in local currency (I£3 to US$1); the respective figures during the January-June 1962 period were $94.5 million and I£48.3 million.

Additional information can be obtained from the following Department of Commerce publications:

Basic Data on the Economy of Israel. OBR 63-92. 14 pp. April 1963.

Economic Developments in Israel. 1960. WTIS. Part 1, No. 61-51. 4 pp. June 1961. 15 cents.

Establishing a Business in Israel. WTIS. Part 1, No. 62-10. 11 pp. March 1962. 15 cents.

Italy

Good opportunities continue for sales of U.S. equipment, varied products

By WILLIAM H. RILEY
European Division, OIRE

Italy continues in the second half of 1963 to be a favorable market for American exports, and U.S.-Italian trade is expected to be maintained at its present high level.

The over-all economic outlook for the remainder of the year is one of encouragement, tempered by inflationary pressures in the wage and price fields. The gross national product is expected to show a rise of about 5% for the year in real terms.

Although Italy has experienced both an adverse balance of payments and a trade deficit for the initial half of 1963, foreign-exchange reserves declined only slightly while the outlook for continued capital investment is encouraging.

Trade imbalance

The trade deficit for the January-June period is of paramount importance in the balance-of-payments problem. This amounted to $1,154 million, compared to a deficit of $638 million for the comparable period last year. For the initial five months of the year, Italian exports were up 8% to $2,026 million. This rise was more than offset, however, by the 24% increase in imports—$3,021 million for the January-May period. Accounting for the greatest increases in imports were feed grains, fats and oils, live and frozen beef, petroleum, steel sheets, automobiles and various types of machinery.

Among the reasons advanced for this trade imbalance were increases in production costs which have affected prices and lessened export opportunities; increasing domestic consumption leaving less for foreign trade; the inability to grant more liberal credit terms to less developed countries; and generally increasing world competition.

The United States remained the second largest individual supplier to Italy ranking behind West Germany. For the first five months of 1963, imports from the United States accounted for approximately 14% of total Italian imports.

Italian imports from the other members of the European Economic Community comprised about one-third of the total. A 25% increase in imports from these countries was recorded for the initial five months compared with the similar 1962 period. Italian exports to these EEC member states meanwhile rose by 11%. The resulting Italian trade deficit with these nations was 94% higher than for the same months of last year.

U.S. exports up

For the first half of 1963, U.S. exports to Italy, according to U.S. data, rose 8.8% and amounted to $429.1 million. American imports from Italy were up 6.9% to a level of over $222.1 million. Among the greatest gains registered for U.S. exports were those in cereals and cereal preparations, bituminous coal, and a large increase in the shipment of nuclear materials.

Machinery and transport equipment continued to be the most important class of U.S. exports to Italy—comprising 27.6% of total American exports to that country. Although exports in this classification decreased by 3.6% for the first half of 1963, they still remained at the significant level of $118.3 million.

The new U.S. Trade Center is scheduled for a late January 1964 opening. This Center, which will open with a show featuring automotive maintenance and service equipment, will be located in Milan in the industrial heart of Italy.

Italian exports to the United States showed strength in various types of manufactured items. Again fabrics, leather gloves, footwear and special types of machinery were leaders. Exports of chemicals were up by over 28% while sales of antiques and works of art recorded an increase of some 66% for the January-June period.

Industrial equipment market

Capital investment plans for the next four years (1963-66) should indicate a receptive market for U.S. industrial equipment. The annual survey of the National Confederation of Industry (CONFINDUSTRIA) covering future investment plans of Italian private industry envisages investments of some $13 billion for 1963-66. Of this, some $3.3 billion is designated for the less developed southern regions. In addition, planned investments for Italy's state-owned industries (ENEL, ENI and IRI) for this same period amount to approximately $5 billion.

The Italian balance-of-payments position is currently less favorable than previously. Deterioration began in the latter part of 1962. By the end of the first half of 1963, there existed an over-all deficit of $679 million, contrasted with a deficit of $111 million for the same period in 1962. Official reserves, however, declined by only $123 million for the initial six months of the year while Italian banks increased their short-term foreign borrowing by $536 million.

Production high

Italian industrial production continued at a high rate due primarily to strong domestic consumer demand. Industrial production for April and May stood 9% above that of the same months of 1962. Domestic demand for automobiles, as evidenced by new registrations for January-May, showed a significant rise of 40% over the same period last year while production responded with a 24% increase.

With production facilities operating at near capacity in many areas, with a relatively tight labor market, and with overall demand continuing strong, both wages and prices have advanced noticeably. Industrial wages for the first half of the year rose by about 10% while the cost-of-living index was up 9% from May of last year to May 1963, with a sharp increase since January.

The Italian economy has recently experienced some of the problems of rapid growth but the country should continue as an excellent market for a wide range of U.S. products.

Japan

Moderate expansion of imports from U.S. should continue; economy shows recovery

By MABEL L. EADS
and
ROGER N. BENSON
Far Eastern Division, OIRE

U.S. exports to Japan during the 2nd half of this year are expected to continue the moderate expansion they showed in the first half.

The total for the first 6 months of this year was $781.6 million, up 4.3% over the corresponding period of 1962. The total for 1963, however, probably will not equal the 1961 all-time peak of $1.7 billion.

The Japanese economy appears to have recovered fully from the tight-money policies imposed 2 years ago by the government to curb imports of investment equipment and raw materials, after excessive economic growth had caused a deterioration in the balance of payments.

Foreign exchange reserves stood at $1.9 billion at the end of August, as contrasted with $1.5 billion at the end of 1961. The increase in gross national product this year is expected to be approximately 7% in real terms, somewhat above the 1962 figure but substantially less than the 15% annual average for the 1959-61 period.

Export results mixed

Of the major U.S. exports, raw cotton increased slightly, as compared with shipments during the first half of 1962, and soybean exports were up markedly. On the other hand, exports of ferrous scrap and coal were considerably below the figures for the corresponding period of 1962. Sales of industrial machinery also dropped, but significant increases occurred in exports of measuring, controlling, and scientific equipment, rayon pulp, synthetic rubber, and raw hides.

Imports from Japan expanded at a faster rate than U.S. exports to that country. The U.S. nevertheless had an export surplus of $90 million for the first half of this year. U.S. statistics indicate that purchases from Japan were valued at $691.5 million, an increase of 10.5% over the first 6 months of 1962.

Imports of iron and steel products, nails, nuts, and bolts, woolen fabrics, and photographic appliances rose substantially. Some of the traditional imports, however, such as transistor radios, raw silk, cotton and silk fabrics, carpets, and frozen tuna declined.

In accordance with the country's acceptance in February of the IMF finding that restrictions on imports and other current transactions can no longer be justified for balance of payments reasons, Japan has continued its program of import liberalization initiated several years ago, at the same time that it has increased the size of the import budget.

On Aug. 31 the Japanese Government, in its latest such action, removed 35 items from the negative list of controlled import items, raising the proportion of liberalized commodities to 92% (based, however, on 1959 import values), with 192 items remaining under control.

To take advantage of the expanding and freer market the United States, in April, opened its permanent Trade Center in Tokyo with a display of industrial instruments and laboratory apparatus. In the coming months exhibits will include medical equipment, business machines, and food processing equipment. Next April the U.S. Government will exhibit quick freezing, refrigeration, and air conditioning equipment at the Osaka International Trade Fair, following a showing of automatic vending machines at the Tokyo fair this past spring.

The United States continues to be Japan's most important trading partner, accounting for nearly 29% of total Japanese exports in the first half of this year, about the same proportion as in the corresponding period of 1962. The U.S. share of the Japanese market, however, declined from 34 to 31%.

Japan's overall trade expanded in both directions. Exports (f.o.b.) totalled $2,415 million, up 8.7% from the corresponding half of 1962, while imports (c.i.f.), at $3,177 million, represented an increase of 7.5%.

Normally the second half of the year is a period of high exports and low imports. However, because of the rising level of production (the index of mining and manufacturing was 3.4% above that of the first half of 1962), raw material imports may expand faster than anticipated, adversely affecting the balance of payments.

Furthermore, an unusually sustained rainy season caused severe losses to the wheat, barley, and rapeseed crops, necessitating additional imports of at least 500,000 tons of wheat and 100,000 tons of oil seeds. Somewhat offsetting the poor wheat and barley crops, however, is the bumper rice crop, third largest in history.

Another uncertainty which could influence the relatively favorable balance of payments relates to the inflow of long-term capital, 75% to 80% of which has come from the United States. Some Japanese businessmen fear a decline in the coming months as a result of the proposed U.S. interest equalization tax.

Investment rules changed

Wide-ranging changes in Japan's foreign investment rules became effective July 1. These, according to the Japanese Government, are designed to liberalize investment procedures as the country prepares to join the Organization for Economic Cooperation and Development (OECD) and undertake the obligations of Article VIII of the IMF Agreement.

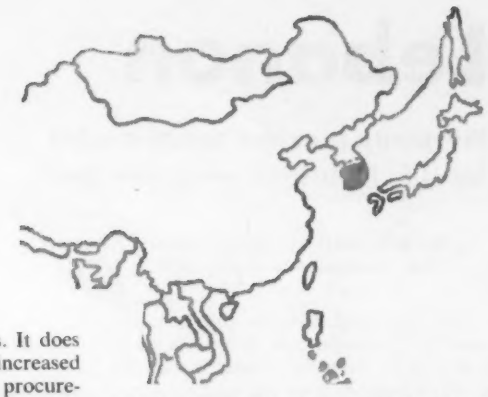
Under the new regulations all principal and income from investments made by non-resident foreigners are to be freely remittable in foreign exchange, but all such investments now require specific Government approval. At the same time, however, the previous option available for foreigners to make investments without official approval, and thus without remittance guarantees, has been abolished.

Presumably offsetting this change is the more liberal criterion that investments will "in principle be approved unless they are deemed to have conspicuously adverse effects upon the national economy." Not enough time has elapsed, however, for any firm indication as to the actual extent of liberalization represented by the new procedures.

Korea

Rising prices and political uncertainty among factors making outlook unfavorable

By ROBERT M. KLEIN
and
JOYCE C. BACHMANN
Far Eastern Division, OIRE



Against a background of dwindling foreign exchange reserves, rising prices, and a severely reduced summer grain harvest, further complicated by an uncertain political situation, the immediate outlook for the Korean economy is not favorable.

U.S. exports to that country—largely financed by U.S. aid expenditures—are nevertheless expected to remain close to the high levels of the first half of 1963, although overall expansion is unlikely for some time to come.

Foreign, and especially U.S., businessmen, who are interested in possible investment in South Korea as the country completes the 2nd year of its 5-year economic development plan, are anxiously awaiting the Presidential election set for Oct. 15 and the National Assembly election scheduled next month. These are intended to return the Republic of Korea to a civilian form of government after 2½ years of military rule.

U.S. largest supplier

Despite these political considerations, the U.S. will continue to retain the largest share of the Korean import market because of the continuing Public Law (PL) 480 and Agency for International Development (AID) programs in the country. Incomplete data indicate that the U.S. accounted for about half of Korea's imports during the first 6 months of this year, which is approximately the same proportion as for all of 1962.

U.S. exports to Korea for the first half of 1963 totaled $118.1 million, a healthy increase of 18% over the corresponding period of last year. Wheat shipments, at $24.9 million, were nearly double the figure for the first 6 months of 1962; raw cotton sales rose slightly, to a value of $16.8 million; and, significantly, industrial machinery exports, at $16.5 million, were nearly three times higher. U.S. purchases of Korean goods, although totaling only $11.3 million, nevertheless tripled over the total in the first half of 1962.

The rise in U.S. sales to Korea does not reflect increased U.S. aid availabilities, which have been running at roughly $200 million annually the past 2 years. It does partly indicate, however, the increased impact of the limited worldwide procurement policy for AID "supporting assistance." More importantly, the higher export total also reflects the somewhat larger proportion of total U.S. aid represented by PL 480 (for grains and cotton) and development loans (for capital equipment), in both of which cases procurement is exclusively tied to the U.S.

P.L. 480 program increased

For U.S. fiscal year 1964, total U.S. assistance probably will not be greater than fiscal 1963 and, if the global Congressional appropriation is seriously reduced, may be less. In terms of U.S. exports for the last half of this calendar year and running into 1964, however, shipment levels should still be high as a result of an enlarged PL 480 program.

Prolonged and extensive rains last spring, coupled with a typhoon in mid-June, resulted in a two-thirds drop in Korea's harvest of summer grains, largely barley. Coming after a poor rice crop in 1962, the resulting food shortages pushed the overall wholesale price level up sharply. Consequently, the current Title I PL 480 agreement, signed last November, was amended three times over the past summer months, bringing the total to $95.6 million—a record figure.

Although U.S. sales of agricultural products will thus be maintained and, in fact, increased, and some machinery exports may be supported by AID development loans, little immediate prospect is seen for expanded exports of industrial raw materials and semi-manufactures, as financing availabilities for such items from both AID and Korean Government sources are expected to be less.

Reflecting vigorous efforts on the part of the Korean Government and exporters, with the latter aided by direct subsidies and an export-import link system, Korea's total exports in the first half of 1963 expanded to $38.5 million (including shipments made without draft), a heavy 62% rise over the corresponding 1962 period. Imports (including relief and gift shipments), however, at $253.3 million, were 39% higher, and at the same time receipts from sales to the UN/U.S. Armed Forces fell off.

Thus the country's gold and exchange reserves, which in 1962 had already dropped by one-fifth to $167.5 million at the end of the year, were even more seriously drawn down, and stood at $106 million as of early September, 1963.

Consequently, the Korean Government took several measures in July to curtail imports with its own foreign exchange ("KFX"), by subjecting all KFX imports to a specific licensing system, tightening its export-import link system, requiring deferred payments for a portion of its imports, and limiting barter transactions. Since the U.S. normally supplies only about one-fifth of Korea's KFX imports, and these actions do not affect U.S. aid shipments, the overall impact on U.S. sales will not be great.

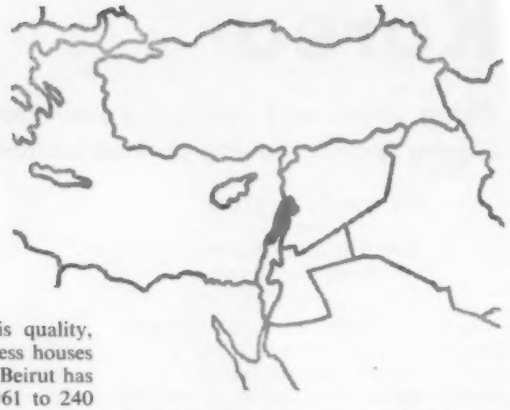
Industrial output high

Internally, industrial output continued to rise during most of the first half of the year. The 6-month average was 17% above the index for the corresponding period of 1962, with an all-time record set in May. Reduced availabilities of materials, however, as well as lessened demand, indicate some slackening off since the May peak. Partly offsetting this, however, are predictions that the country's rice crop, currently being harvested, may be of bumper proportions.

As for foreign investment, U.S.—as well as European and Japanese—interest continued, but few firm contracts were concluded. Gulf Oil Corp. of the U.S., however, did sign an agreement, in June, with the government-controlled Korea Oil Corp., providing for a $5 million (one-fourth) equity interest in an oil refinery now under construction and for $20 million in long-term loans.

Lebanon

Prosperity provides ready market for U.S. industrial, consumer goods



By HOWARD M. ZIMMERMAN
Near East-South Asia Division, OIRE

Growing prosperity in the Lebanese economy indicates that U.S. exports to that country will find a ready market for a wide range of industrial and consumer products during the remainder of the year.

U.S. suppliers of industrial and electrical machinery, automobiles, trucks and buses, air conditioning equipment, household refrigerators, wheat and wheat flour, medicinals, pharmaceuticals, and paints and varnishes should find good markets. Public works projects offer an especially attractive field for U.S. suppliers of developmental goods and services.

U.S. trade statistics indicate an upswing in Lebanese purchases of American goods during the first 6 months of 1963. Although U.S. exports of manufactured goods to Lebanon were disrupted somewhat by the East Coast dock strike, passenger car registrations in Lebanon indicate that U.S.-manufactured motor vehicles, with 897 units, captured 16.3% of the automobile market during the first 6 months of the year, compared with 14.6% in 1962.

Total U.S. exports to Lebanon reached $26.2 million during January-June 1963, compared with $23.3 million during the comparable period last year. While the rise was a general one, with slight increases evident in most commodity groups, purchases of U.S. machinery and transport equipment moved from $10.3 million during the first 6 months of 1962 to $12 million during the same months of 1963. Purchases of foodstuffs, mainly cereal products increased from $3 million to $3.5 million.

Leading supplier

The U.S. continues to be Lebanon's leading supplier, followed by the United Kingdom, Federal Republic of Germany, France, and Italy. Prospects are that 1963 U.S. exports to Lebanon, which declined to little more than $43 million in 1962, will reach or surpass the $45 million range attained in 1960 and 1961. This upward trend may well be an indication of the resilience of the Lebanese economy in the face of area instability. In apparent recognition of this quality, the number of American business houses with regional offices located in Beirut has grown steadily from 147 in 1961 to 240 in 1963.

The preference of many consumers for U.S. goods is a favorable factor to U.S. exporters, but aggressive sales campaigns and traditional ties with European suppliers make this a highly competitive market. Trade centers have been opened by several countries including the Soviet Union, Pakistan, and India, and others are being contemplated.

The growing number of private industrial undertakings and public works projects is a strong indication that export opportunities will be available for manufacturers of all types of machinery and industrial equipment. The estimated cost of the 5-Year-Plan, in which many projects have recently been incorporated, is reported to have reached $387 million. The Ministry of Public Works spending may reach almost $100 million per annum before completion of this development plan in 1966.

The Ministry of Public Works spent $30 million on development projects during the first 6 months of the year, compared with $20.6 million during the corresponding period of 1962. The main construction projects envisaged for completion in the near future, include a group of buldings to house the Government Ministries which are due to be completed in mid-1965. The estimated cost of this project is $3.5 million. In addition, a building to house the future Central Bank—expected completion date early 1964—will cost an estimated $2 million.

Come to the fair

Construction work is also beginning on the facilities for the International Fair grounds in Tripoli. This construction project, costing $5.8 million, will provide the facilities for the Tripoli International Fair scheduled to be held in 1965.

This tendency toward more substantial spending should augur well for U.S. suppliers of equipment related to the various projects. In addition to the Litani project, which now includes raising the 42 meter Qaraoun Dam to 60 meters, the establishment of a thermo-electric generating plant is planned at Jieh, near Damour, to supply south-Lebanon with 370,000 Kw. of electricity. The estimated cost of this project is about $13 million.

Still in the preliminary stages, but of possible interest, are studies to cool the plant's engines with sea-water at the rate of 20 cubic meters per second. Another project to be inaugurated shortly, is the construction of a 3-basin harbor at the port of Jounieh, some 9 miles from Beirut. Scheduled for completion within 2½ years after work begins, it will cost $1.7 million and include one basin for pleasure-boats, yachts and sailing vessels calling at Lebanon on touring visits, a second basin for fishing boats and merchant vessels, and a third for the Lebanese Navy.

Private sector development in Lebanon also is moving ahead. In recent months, the go-ahead was granted for the establishment of an iron and steel mill, a plywood factory, a soap manufacturing plant, a factory to manufacture electrical appliances, and a metal and plastic articles plant, all private.

Additional information can be obtained from the following Department of Commerce publications:

Establishing a Business in Lebanon. OBR 62-41. 8 pp. December 1962.

Basic Data on the Economy of Lebanon. WTIS. Part 1, No. 61-75. 12 pp. December 1961. 15 cents.

Law Exempting Productive Investment From Income Tax in Lebanon. WTIS. Part 1, No. 56-21. 2 pp. March 1956. 10 cents.

Preparing Shipments to Lebanon. WTIS. Part 2, No. 58-66. 4 pp. October 1958. 10 cents.

Liberia

Future trade and investment picture bright, construction projects augment need for goods

By JOHN HOKANSON
Africa Division, OIRE

Although prospects for improved trade next year appear bright, statistics for the first six months of 1963 indicate trade between the United States and Liberia this year will fall somewhat below amounts recorded in 1962.

In the first half of 1963, the United States exported goods valued at $19.5 million to Liberia, according to U.S. figures. For the comparable period last year, American exports to this developing West African nation amounted to $26.8 million. U.S. imports from Liberia were roughly the same in 1963 as a year earlier—$15.6 million during the first half of this year compared to $15.4 million for the same period in 1962.

No breakdown is available for 1963, but U.S. exports to Liberia have historically included machinery, transportation equipment, building materials, household appliances, consumer goods and foodstuffs.

U.S. purchases from Liberia have consisted mainly of rubber, iron ore, diamonds and coffee plus some timber and palm kernels.

The lower volume of imports by Liberia is partially the result of the completion of most construction at the huge iron ore mine at Nimba. Machinery and materials for this construction swelled import totals in 1961 and 1962. The mine began operation recently but has not reached its full potential.

Austerity program

Another reason for the decline in imports is the effect of a temporary government austerity program.

After several years of extensive developmental expenditures designed to build up the country's economic infrastructure, the Liberian Government this year found itself suddenly confronted with a difficult financial situation.

With the cooperation and assistance of the International Monetary Fund (IMF), a program was worked out which calls for rearranging debt repayments, temporarily restricting government expenditures and increasing government revenues. The IMF has agreed to a $5.7 million standby credit to ease the pressure on the government as it rearranges its finances.

Outlook promising

The long-term outlook for Liberia continues to be good.

Increased iron ore production from the Nimba mine will have a marked effect on the government's revenue situation because a royalty of 50 cents is to be collected on each ton of ore shipped. The first load of ore from the mine was shipped from the port of Buchanan in July. LAMCO, the Swedish-American-Liberian concern operating the venture, anticipates shipments totaling about two million tons during 1963 and increasing to approximately seven million tons in 1964.

Although two new rubber plantations began tapping this year, the outlook for revenue from rubber (until recently the mainstay of Liberian exports) is less certain. Crude rubber prices on world markets have been in almost continual decline recently.

Boost from AID loans

Assistance from the U.S. Agency for International Development (AID) which should begin to have an impact on Liberia within the next few months includes a $1.7 million dollar loan for a junior-senior high school in Monrovia, a $5.3 million loan to help finance a hospital and medical center and several smaller projects.

The effect of an AID loan amounting to $24.3 million for construction of a hydroelectric project at Mt. Coffee, above Monrovia, should begin to be felt by the Liberian economy in 1964. Because major portions of the AID loans are tied to purchases of U.S. goods and services they add increased optimism to the U.S. export picture.

Market competition

Traditionally the largest trading partner for Liberia, the United States has faced increased competition for the market in recent years. In 1962 U.S. exports to Liberia amounted to $56.8 million—a substantial increase over the $44.5 million exported in 1961.

The American share of the market slipped from 49% in 1961 to 43% in 1962, however, as West Germany increased its share from about 10 to 20% during the same period. In addition to West Germany, the United Kingdom, Austria, Yugoslavia, Mexico and Bulgaria have shown added interest in trade with Liberia.

Investor openings

For investors the prospects in Liberia appear to be bright, although perhaps not as dramatic as some of the larger iron and rubber ventures have been in the past.

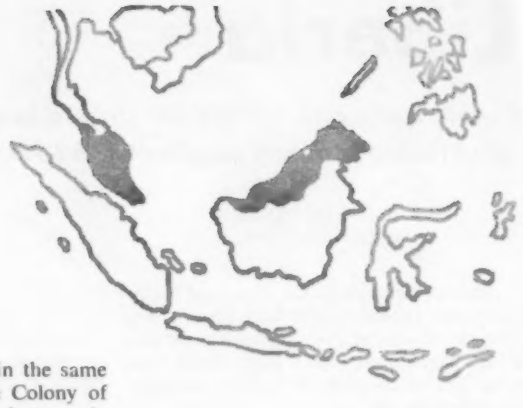
The Liberian Government, through the Liberian Development Corporation assisted by an American consulting firm, has been focusing attention on the possibility of developing small and medium-scale industries. Agreements have already been reached for construction of a shoe factory and an explosives-chemical plant.

A feasibility study was recently completed on establishment of an enamelware industry. Studies are anticipated or underway on several other potential industries including plastics, batteries, nail manufacturing and citrus fruit canning. This might become a fertile field for foreign investment in the future.

Investors may take comfort from statements of high Liberian officials that the traditional "open door" policy regarding foreign investment will be maintained. These officials indicate, however, that Liberia will expect assurances from investors that acceptable employment and training opportunities for Liberians will be available.

Malaysia

Good opportunities seen for consumer goods, capital and services as new area develops



By LOUISE HILLSON
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The political birth of Malaysia on September 16, 1963, formed by the merger of the Federation of Malaya, the State of Singapore and the territories of northern Borneo, provides a broader economic development base and promises increased demands for imported capital and consumer goods, as well as more attractive opportunities for foreign investors and suppliers of services. U.S. businessmen finding these areas attractive for their business activities in the past will find an even more promising business climate with the eventual coordination of economic interests of the merged areas.

Progress

Both Malaya and Singapore continued to make steady progress in industrialization during the first six months of 1963. Development has continued on Malayan industrial estates and on the Jurong industrial park in Singapore. New factories have been planned and established in both areas and construction activity is brisk, providing a stimulus to business activity and a market for the products of several new local industries. In Malaya, foreign investment interest continued to be high, and a number of stock offers by reliable companies were quickly oversubscribed.

Trade increases

Total imports into the Federation of Malaya increased to $437.6 million, during the first half of 1963, while exports rose to $453 million. Comparable figures for the first six months of 1962 were $403.3 million and $442.9 million, respectively. The favorable balance of trade, however, fell to $15.4 million compared to $39.6 million for the first half of 1962. The high level of imports which reflects increased expenditures for capital development and the decline in the price of rubber presages continued pressure on the Malayan balance of payments.

Singapore also reports increased imports and exports during the first three months of 1963—imports amounting to $335.9 million and exports $310.9 million—compared to $325.6 million and $277.4 million, respectively, in the same period of 1962. In 1962 the Colony of North Borneo experienced an increase in total trade over 1961 while trade levels for Sarawak declined slightly.

During the first five months of 1963, the United States was outranked only by Singapore as a buyer of goods from the Federation of Malaya. U.S. imports from Malaysia (Malaya-Singapore-British Borneo) for the first six months of 1963 totaled $104.9 million, an increase from the $99.1 million for the comparable period in 1962.

U.S. sales dip

U.S. exports to Malaysia of $40.1 million for the first half of 1963 showed a slight decline from the $41.4 million level in the same period of 1962. U.S. sales to the Federation of Malaya declined to $14.2 million, while those to Singapore-British Borneo rose to $25.9 million. The decline in exports was primarily due to the fall in U.S. exports of machinery and transport equipment from $18.4 million in the first 6 months of 1962 to $17.3 million for the first half of 1963.

This interruption in the rising level of U.S. total exports to the Malaysia area in the past is not believed to be an indication of a reversal in that trend. It probably reflects, among other things, increasing competition from other foreign suppliers during that period—a competitive element which should, however, be taken into consideration by American suppliers in their sales campaigns for this growing market.

Machinery in demand

Major U.S. exports to Malaya and Singapore in the first six months of 1963 were industrial machinery (particularly construction and excavating equipment and tractors), petroleum and petroleum products, tobacco and manufactures. Businessmen in the Borneo territories have recently shown an interest in a variety of American products, especially wood manufacturing machinery and electrical equipment.

U.S. firms have been showing a greater interest in the Malaysian market, as evidenced by more applications for agency surveys, visits by representatives of U.S. firms and American participation in a Singapore Trade Fair. A United States Trade Mission, visiting Malaysia from October 5 to November 1, 1963, has generated a large number of business proposals from U.S. exporters.

Industrial growth

Industrial development in Malaysia is expected to stimulate a further rise in the demand for capital goods and technical services, and indirectly to generate an increase in consumer demand by raising income levels in general.

An important stimulus to economic development and the demand for these goods has been the pioneer industries program of Malaya and Singapore, which will come under the control of the central Malaysian Government and be extended to North Borneo and Sarawak. That program provides an important tax-exempting stimulus for industrialization. There are now 93 factories in the Federation of Malaya and 75 in Singapore which have been granted pioneer status.

Problems

Malaysia will face some problems such as the working out of common market arrangements, preserving the entrepot facilities of Singapore in appropriate degree and coordinating industrial development programs. The merger, however, should greatly stimulate the development of industrial and commercial ventures. Potentialities for American trade and investment are considerable and await development by U.S. businessmen.

Mexico

Stable Mexico provides prime market for U.S. products and investments

By KATHERINE E. RICE
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The outlook for U.S. trade and investment relations with Mexico continues to improve as the latter's economy gains strength from political and financial stability, and its development programs are accelerated.

The U.S. is in an advantageous position tradewise, according to early Mexican data, the value of its exports to Mexico in the first 7 months of 1963 having risen to $494.4 million compared with $444.3 million in the same months of 1962, an increase of 11.4%. This represents 69.9% of Mexico's total imports during the first 7 months of 1963 (67.9% in 1962).

U.S. private investments are also increasing, stimulated by Mexico's 1962-65 Immediate Action Plan. The President of the American Chamber of Commerce recently stated that U.S. private investments in Mexico are approaching $1 billion.

Mexico continues as the principal buyer of U.S. goods in Latin America and, according to U.S. statistics, purchased merchandise valued at $402.3 million in the first half of 1963—largely capital equipment, industrial supplies, and raw materials. Mexico held 6th place in U.S. trade with the world.

Manufacturing opportunities

The manufacturing area of the economy offers the best opportunities for U.S. investors and exporters, since foreigners may still operate with comparatively little difficulty. Also, in this important area Mexico is making its maximum drive—to attain self-sufficiency in finished goods. The result is a growing market for heavy machinery and equipment, industrial raw materials, and technical know-how. Large Government projects, including telecommunications, transportation, and construction, also provide a widening market for electrical, transport, and building equipment.

Mexico's industrialization continues to gain momentum, with new operations reported almost daily. Many of the new manufacturing operations are U.S. firms and licensers; however, these are meeting keen competition from other foreign firms, both in offers of favorable credit terms for exports, and in providing necessary capital for investment. European countries are increasingly aware that Mexico offers some of the best opportunities for foreign business of any country in Latin America.

Trade and tourism

Mexico's total foreign trade improved in 1963, with imports attaining a value of $706.5 million in January-July, compared with $561.2 million in 1962, an increase of 26%. Export values also rose by 1.7%, to $505.8 million in the first 7 months of 1963.

Mexican commodity data for January-May 1963 show that 51% of Mexico's total imports (valued at $442.3 million) were plant installations, all types of machinery, tools, and electrical and transport equipment; 19% was chemical products; 13% manufactured goods; 11% raw materials and petroleum; and 6% foodstuffs and tobacco. Thus, production goods and raw materials for manufacture represented 81% and consumer goods only 19%, of total imports.

The tourist industry in Mexico continued to hold up well in 1963. Data for the first 6 months indicate that 426,603 cards were issued, compared with 356,995 issued in similar months of last year.

Outlook favorable

The President's September 1 message was very optimistic, and particularly stressed the Nation's political and financial stability, along with the necessity for further planning and development to raise living standards. He announced foreign exchange reserves of $510 million on September 1 ($426 million on March 28), and stated that private investment increased 6% in 1962. The Bank of Mexico's reserves, plus $345 million in standby reserves in the U.S., he said, will guarantee the stability of the peso.

Among foreign credits of $249 million obtained by Mexico in the last 6 months, were 3 IDB loans of $30 million for housing, $30.5 million for regional development in Tabasco, and $3.8 million to develop a study of the Lerma-Chapala River Basin, where 17% of Mexico's population lives. One $12.5 million loan was granted by the World Bank for irrigation projects in north-central Mexico; and 3 Export-Import Bank credits, totaling $22.9 million, were granted to private firms.

Favorable balance

Latest data show that Mexico had a favorable balance of international payments of $58.6 million on March 31, 1963. On July 16 the Mexican Government floated $40 million of dollar bonds abroad, which were quickly purchased by U.S., European and Mexican financial institutions. In August Mexico participated in an agreement with the Central Banks of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua to establish a credit payment system under which national currencies will be used in transactions between signatory countries.

Good August rains increased water storage to 56% of useable capacity, thus breaking the dry spell and creating water supplies for winter crops in the northwest. The northeast, however, still suffers from insufficient rain. The corn and bean crops are reported as excellent, and record harvests of both corn and wheat are assured. Livestock, too, are in good condition due to improved pasturage.

Bank credit has expanded in recent months without, however, developing inflationary pressures. The latter have been successfully held in check, largely through price controls which have kept living costs down.

Trade and financial sources, however, generally regard the economic situation as satisfactory, considering the off-season and the pre-election year, and as the summer ended hopes were high for an early upturn of business in the fall.

Morocco

Trade prospects for U.S. appear bright; economic position improves in 1st half

By STUART M. MATLINS
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Prospects for increasing U.S. trade with Morocco during the coming months appear bright.

During the first half of 1963, Morocco's economic position improved. Trade and balance of payments deficits were reduced, the food crop was excellent, income from tourism reached record levels and there was a general feeling of moderate optimism that these favorable trends would continue.

Plans industrial projects

The government plans to move ahead on a number of industrial development projects. The availability of approximately $30 million in USAID commodity loan funds should also open the Moroccan market to additional U.S. products.

January-June 1963 exports to Morocco, according to U.S. statistics, amounted to $30.1 million compared to $34.5 million for the same period in 1962. The decline resulted primarily from smaller PL 480 shipments. Nevertheless, the U.S. continued to be Morocco's second largest source of supply.

Leading U.S. exports to Morocco during the first half of 1963, aside from grain shipments, were cotton fabrics; tobacco; vegetable oils; automobiles and parts; construction, excavating and mining machinery; and tractors and parts.

Still buy used clothing

Although the Moroccan government has dropped used clothing from its general import program (PGI), imports from the United States are continuing under *ad hoc* arrangements whereby the government issues licenses whenever there is a need for additional clothing imports.

U.S. imports from Morocco fell from $7.2 million for the first 6 months of 1962 to $3.8 million for the corresponding period in 1963 as shipments of chemical grade manganese declined, owing to a U.S. government decision to stop further stockpiling beginning Jan. 1, 1963.

It should be noted that in 1962, imports into Morocco totaled $424 million while exports amounted to $348 million.

As of July 1 the AID commodity loan program was liberalized to include more products. In using this program to finance imports from the U.S., Morocco will place primary emphasis on the purchase of capital goods and equipment as opposed to consumer goods.

Emphasis on capital goods

In addition, the market for capital goods should increase considerably in view of the government's pending plans for construction of an additional sugar refinery, an ammonia phosphate plant, a steel mill for Casablanca and conversion of the Nouasseur Airbase to civilian uses.

The conversion of U.S. airbases, to be evacuated by this December, offer increased opportunities to U.S. businessmen for export and investment. The Moroccan Ministry of Finance has given the Caisse de Dépôts et de Gestion, a government corporation, the task of channeling private investment into airbase conversion and of farming out economically viable investment projects to interested firms.

Among the projects Morocco desires to establish with private business participation at Nouasseur Airbase are a steel scrap foundry, a dental school, and cold storage plants for citrus juices, jams and dairy products.

While the main emphasis of the government now appears to be on the importation of capital goods, there are nevertheless some opportunities for selling consumer goods as canned foodstuffs, office equipment, hotel equipment, toys and sporting goods.

Cost of living down

Cause for some optimism has been given by monthly declines in the cost of living index since May, although the June index was still 6.4 points above the figure of a year ago.

This improved situation was caused in part by excellent food and vegetable crops and might well be continued if the 1963 cereal crop fulfills official reports that it would be one of the best harvested in the past 30 years. Any gap between domestic cereal production and demand should continue to be filled by PL 480 sales of U.S. wheat and flour, which are currently filling the 1963 gap.

Tourism bright spot

A particularly bright spot in the Moroccan economy is the tourism industry. Tourist traffic was up over last year and there are indications that it may total 650,000 by December and 1 million next year. Construction now under way or planned for tourist facilities is expected to help decrease local unemployment, particularly in the northern region of the country. The completion of the airport at Al Hoceima makes possible, for the first time, easy tourist access to that portion of the Mediterranean coast.

Fishing is good

The fishing industry experienced good catches during the first half of 1963; however, there was some difficulty in marketing the catch, especially in France.

With the exception of phosphates, the mining industry continued to suffer from declining world market prices and relatively high production costs as well as the depletion of reserves. The government has taken some steps to improve this situation by reducing the export tax on lead and zinc; however, these measures are merely temporary remedies and do not solve the basic problems.

The surplus of mine labor may be reduced somewhat by recent agreements concluded between France and Morocco and West Germany and Morocco. These agreements call for importation of Moroccan labor, mostly miners, into France and Germany in sizeable numbers. Belgium also may take a limited number of Moroccan miners for work in the coal fields.

Netherlands

U.S. exports for 1963 expected to exceed '62 level as GNP, private demand increase

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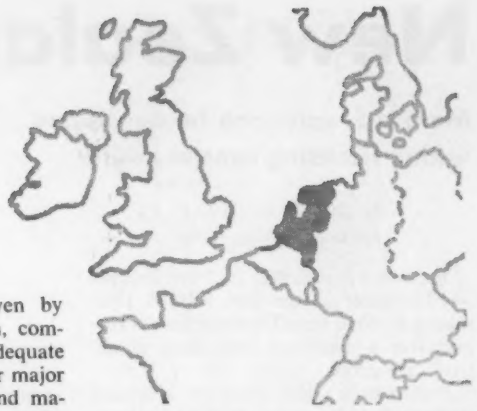

U.S. exports to the Netherlands in 1963 are expected to exceed the 1962 level, even though figures for the first half of 1963 show a decline from last year. Figures for the first 6 months of 1963, however, have been somewhat distorted as a result of the severe winter in Europe and the U.S. dock strike.

The gross national product in 1963 is expected to be about 3% higher than in 1962 which in turn exceeded 1961 by slightly over 2%. The main expansionary forces in the economy continue to be increasing exports, private consumption demand, now expected to grow more slowly, and some inventory buildup.

The most promising items for future U.S. exports include coal-gas heating apparatus, and gas-operated internal combustion engines, automatic specialized pumps, industrial valves (particularly for chemical and processing industries), consumer goods such as cosmetics, photographic equipment, sports equipment (including sportswear), food products, small household appliances, and infants' and children's wear.

Fast delivery helps

Recent information indicates that last year's trend toward shorter delivery times by Dutch manufacturers, which had been due to a diminishing backlog of orders in Dutch industry, has come to a halt. This may mean that U.S. exporters, who can offer fast delivery times, may once again have an advantage capable of offsetting slightly higher prices. This situation is of special significance to exporters of consumer goods and textiles.

Under the U.S. Export Expansion Program, the Department of Commerce in May sponsored a month-long Trade and Industrial Equipment Mission, which uncovered and developed a number of export opportunities. At the spring Utrecht Trade Fair, the Department of Commerce sponsored a highly successful exhibit with 30 U.S. firms participating. Future plans include an industrial trade information booth at the Department of Agriculture's Food and Agricultural Exhibition at Amsterdam in November.

Close attention should be given by U.S. exporters to sales promotion, competitive pricing, provision of adequate servicing facilities (particularly for major household appliances, vehicles, and machinery), and prompt delivery of goods. Due regard for details such as use of the Dutch language in promotional materials, use of the metric system, and Dutch electric current specifications may prove decisive.

Dutch exports in the first 6 months of 1963 were valued at $2,392 million, 7.1% higher than in 1962, and imports at $2,268 million, 6.4% higher than in 1962. Sharp increases in trade with Italy and France, already important trading partners, were noted. Large percentage gains in trade were recorded with Portugal and Norway. The proportion of Dutch trade with EEC countries continues to increase at the expense of non-EEC nations.

U.S. share slips

U.S. exports to the Netherlands for the first half of 1963 were $337 million, 10% lower than in the first 6 months of 1962, while U.S. imports from the Netherlands were $100 million, 12.5% lower than in 1962. The U.S. share of the Dutch market in this period was 10.4%, against 12% in 1962.

Particularly sharp declines in U.S. exports to the Netherlands were registered by aircraft and parts, $466,000, down 97%; and wheat and office machinery, each $6 million, each down 59%. Declines were also shown for other grains and grain preparations, plastics, cotton and soybeans.

U.S. exports of coal, coke, and briquettes amounted to almost $20 million, an increase of 54% over the first half of 1962. Raw tobacco exports also increased more than 50% to $6 million. U.S. exports of organic chemicals were $21 million, about the same level as last year. The marked decline in exports of U.S. agricultural products is attributable to application of levies under the EEC Common Agricultural Policy to certain products such as wheat, wheat flour, and poultry.

U.S. exports to the Netherlands of certain types of paints, polyethylene, and polystyrene declined 63%, 82% and 84%, respectively, from their 1962 levels of over $1 million each (nearly $3 million for polyethylene) during the first half of the year. The drop is primarily due to the fact that the Netherlands, in concert with other Common Market countries, raised tariffs on imports of these items from the United States, in retaliation against the U.S. action increasing tariffs on carpets and glass.

The Dutch labor market continues tight, especially in the building trade. An easing is anticipated in the second half of the year in the nonconstruction sectors of the labor market, as the postwar baby bulge should be reflected in the influx of people of working age.

Wages and fringe benefits of almost 1 million workers increased 3.4%, as a result of collective bargaining, instead of 2.7% as set by Dutch planners. Wages are expected to rise more moderately during the rest of the year.

Additional information can be obtained from the following Department of Commerce publications:

Economic Developments in the Netherlands, 1962. OBR 63-78. 9 pp. April 1963.

Import Tariff System of Belgium, Netherlands, and Luxembourg. OBR 63-25. 3 pp. February 1963.

Basic Data on the Economy of the Netherlands. WTIS. Part 1, No. 61-8. 11 pp. March 1961. 15 cents.

Establishing a Business in the Netherlands. WTIS. Part 1, No. 60-46. 9 pp. September 1960. 10 cents.

Pharmaceutical Regulations of the Netherlands. WTIS. Part 2. No. 62-9. 5 pp. February 1962. 10 cents.

Marking and Labeling Requirements of the Netherlands. WTIS. Part 2, No. 61-56. 3 pp. September 1961. 10 cents.

New Zealand

More U.S. sales can be developed within licensing control limits

By DEANE M. BLACK
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Economic conditions in New Zealand were brighter in the first half of 1963 than they have been for some time. Prospects for a continued high level of activity are good.

Prospects are also good for a limited increase in U.S. exports to New Zealand. Although the ceiling on imports remains the same as for last year—$700 million—the current licensing schedule now permits importers much more flexibility in utilizing their basic allocations.

Trade up

U.S. trade with New Zealand expanded in both directions during the first six months of 1963. Exports to New Zealand were running at an annual rate of over $67 million during this period, an increase of nearly 18% over calendar year 1962 when this trade was valued at $57 million. Large increases occurred in exports of chemicals and agricultural machinery. U.S. exports of power equipment, textile and shoe machinery and other types of machinery were also up.

Imports from New Zealand in the first six months were at a new high—at an annual rate of $163 million—16% above the 1962 level of $141 million, due almost entirely to larger shipments of wool to the U.S. Meat shipments, traditionally the leading New Zealand export to the U.S. market, leveled off and were slightly lower than last year.

After two successive years of deficits on current account, New Zealand ended the year on June 30 with a favorable balance of nearly $16 million, while the overall balance was $58.8 million, larger than for any year since 1939. Overseas assets of the banking system stood at $268 million on June 30, compared to $205.5 million a year earlier.

The New Zealand economy is moving into the expansionary phase. Although figures are not yet available, the rate of growth of national income was substantially higher in fiscal 1962-63 than the year before when it was 2.8%. The population increased by 2.3%, and there are now fewer than one thousand unemployed in the country.

The introduction of greater flexibility in the issuance of licenses in the current licensing schedule for July 1963-June 1964 contains provisions for regrouping of licenses so that a license holder can use 25% of his 1963-64 basic licenses to import any of the other items comprising the related group.

An additional allocation to cover the import of an estimated 12,000 to 13,000 new assembled and unassembled automobiles was also provided to satisfy the backlog of demand and bring down the high prices of used cars on the New Zealand market. The automobile allocation amounts to about $13.3 million.

Provision is also made for special import licenses to be issued to New Zealand manufacturers for raw materials and components used in the manufacture of goods for export.

New Zealand's exports for the year ended June 30, 1963 increased 6% to nearly $900 million over the previous year. Reflecting the effects of the overall ceiling on imports set by the import licensing schedule, New Zealand's total imports in 1962-63 increased only slightly —to over $728 million from a little over $702.5 million the year before.

The U.S. share of the New Zealand market in 1962-63 remained steady at a little over 9%, and the U.S. continued to be New Zealand's third supplier, after the United Kingdom and Australia. The U.S. was again New Zealand's second market, after the U.K.

Buoyant business conditions in New Zealand are most encouraging for the development of additional U.S. sales within the limits imposed by the licensing controls. In view of the Government's policy of fostering domestic production of substitutes for necessary imported produce, many manufacturers are thinking in terms of new lines and plant expansions and are favorably disposed toward U.S. producers' equipment.

But the extent to which U.S. exporters are successful in selling additional goods to New Zealand will depend upon the ability of U.S. suppliers to convince the New Zealand importer that the quality of U.S. products renders them competitive with those from traditional Commonwealth sources of supply. Established buying habits and commercial accommodations, as well as attitudes of attachment to the United Kingdom constitute obvious difficulties which must be overcome.

There is a very open-minded attitude regarding the country of origin for new import lines. Importers with an established base period history for import licenses indicate considerable flexibility in their ability to take on new related lines. In many instances, manufacturers claim to be able to obtain successful consideration of licenses for production equipment and supplies provided they can present convincing cases for the essentiality of the equipment.

Best sales areas

Considered among the best areas for expanding sales are: industrial plant and engineering equipment; construction, excavation and mining machinery; slaughter house, freezing and specialized meatpacking equipment; unique, new agricultural machinery, implements and parts; dairy processing equipment; chemicals; sawmill and pulp and paper machinery and electronic equipment.

U.S. investment in New Zealand is increasing in line with the New Zealand Government's efforts to expand its industrial potential and further diversify its export trade. Of total direct U.S. investments of $73 million in New Zealand, $10 million was invested in 1962.

Proposals in 1963 already far exceed the 1962 investment total. For example, the Utah Construction Company has signed a $26.3 million contract with the New Zealand Government for construction of the first phase of the Manapouri hydroelectric project. Another American firm, the Von Kohorn Universal Corporation, is establishing a $4.2 million plant to produce nylon filament.

Nigeria

Reduced growth rate seen for U.S. trade with long-range outlook favorable

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Nigeria is emerging gradually from the period of slack trade which has been evident in the country since early last year and which has been due, in considerable part, to seasonal and cyclical factors. U.S. exports have not been adversely affected during this slow-down in business activity but reached record levels, in fact, during 1962.

The outlook in the immediate future, however, is for a reduced rate of growth in U.S.-Nigerian trade. Prospects appear better for 1964 and later, since developments on several fronts indicate a strengthening in Nigeria's economy which should renew the growth of the 1950's and—by 1964—should be reflected at the retail sales level.

Business spur

Recent firming of prices in the world market for tropical commodities promises to stimulate economic recovery; increases in marketing board and government revenues will permit limited expansion of development spending. It has been announced that an increase of about $14 per ton will be paid to cocoa producers in the 1963-64 season. The increased producer incomes should be a spur to business activities.

Continued impetus should be given by industrial development in Western Nigeria—the area most severely affected by economic recession. A Western Nigerian Economic Mission, returning last July from Europe, announced that negotiations had been completed with private investors to establish several new industries including a pharmaceutical plant, a brewery, a jute bag factory, a cocoa cleaning plant and a soap plant.

Throughout the rest of Nigeria, business conditions have remained steady. Currency in circulation over the country as a whole stood at $193.8 million in mid-July 1963—a slight increase over the figure of $189 million registered a year earlier.

Small trade surplus

Latest available Nigerian statistics show that the country enjoyed a small trade surplus during the first part of this year; this is the first such surplus since 1959. Nigerian exports during the first 5 months of 1963 totaled $224 million, while imports stood at $223 million. During the same period of 1962, exports amounted to $216 million and imports to $223 million.

According to official U.S. statistics, American exports to Nigeria during the first 6 months of 1963 were valued at $18.8 million compared with a figure of $17.2 million for the first half of 1962. From 1961 to 1962, U.S. annual exports to Nigeria rose from $26.8 million to $33.7 million. The rate of growth in exports of American goods to the country thus fell from more than 25% during 1962 to about 9% during the first part of 1963.

U.S. imports of Nigerian products dropped slightly, amounting to $23.7 million during the first 6 months of this year as against $29.1 million in the comparable period of 1962.

Machinery and transport equipment continued as the leading category of U.S. exports to Nigeria, amounting in value to $8 million in the first half of 1963. Within this category, $4.7 million was accounted for by industrial machinery, $1.8 million by transportation equipment and $0.8 million by electrical machinery.

Other major exports during the period were wheat ($3 million) and used clothing ($2 million), together with petroleum products, chemicals products and made-up textile products ($0.5 million each).

Continued growth

The outlook over the long run for continued growth of the Nigerian economy and thus of the market for U.S. products appears favorable. Progress is being made in securing overseas financial support for the 6-year plan, and industrial development is proceeding at a gradually accelerating rate.

Major loans by several foreign countries for capital projects in the Nigerian Development Plan were approved during the first part of 1963. These included a U.S. development loan of $12.1 million for expansion of the Ibadan water supply system, the first capital project approved for financing under the U.S. commitment of $225 million to the development plan. Implementation of the Niger Dam Project, largest single undertaking in the plan, is also moving ahead. The World Bank has agreed to finance half the offshore cost component of the project, and several donors have indicated willingness to help finance procurement of materials and equipment in their respective countries.

In Nigeria's industrial sector, some of the larger projects completed or coming into production during the first half of 1963 included an aluminum rolling mill, an industrial gases plan and an asbestos cement plant in the Eastern Region; a shoe factory, a metal window factory, a textile plant and a concrete railway-tie plant in the Northern Region; and a tire plant, a brewery and a textile mill in the Western Region.

The climate for private investment in Nigeria remains favorable, and activity of American investors in the country continues to expand. A major U.S. investment, for example, was announced in June of this year as the Johns-Manville International Corporation acquired an interest in an asbestos cement products firm in the Western Region. The company, now manufacturing roofing sheets, will spend nearly $1 million for new machinery to expand into production of asbestos cement pressure pipes in 1964.

Additional information can be obtained from the following Department of Commerce publications:

Establishing a Business in the Federation of Nigeria. WTIS. Part 1, No. 62-57. 8 pp. July 1962. 15 cents.

Import Tariff System of Nigeria. WTIS. Part 2, No. 60-48. 2 pp. September 1960. 10 cents.

Norway

Investment and consumer demand high despite tight credit conditions

By GRANT O. OLSON
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U.S. exports to Norway, which increased in value during the first part of 1963, continue to develop favorably.

Developments in the various sectors of the economy support this optimistic outlook. Industrial production has been making rapid gains, employment is at a high level, the export trade outlook is favorable, retail sales continue to rise, and crop prospects are good.

Investment and consumer demand are high domestically despite tight credit conditions. Thus with demand high both at home and abroad, conditions are favorable for a greater utilization of the country's productive capacity. The latest official survey indicates economic growth during the first months of 1963 at 4% and it is predicted that the growth rate for the year as a whole will be somewhat higher.

Although a deficit in the balance of payments is still a source of official concern because it is likely to exceed last year's record deficit, the net foreign exchange position at the end of May 1963 showed a small surplus of $16 million as against a deficit of $51 million at the end of the same period in 1962.

Ocean shipping earnings, an important factor in Norway's balance of payments, totaled $202 million at the end of May 1963, an increase of between 6% and 8% over the 1962 earnings during the same period.

Trade with U.S.

Norway's imports from the U.S. reached a total value of $54 million during the first 5 months of 1963, compared with $51 million during the same period of 1962. Official Norwegian trade statistics show that larger imports of such commodity classes as fruits and vegetables, feedstuffs, oilseeds, chemical compounds, yarn and textile fabrics, machinery, transport equipment and instruments accounted for the increase in trade. On the other hand there was a drop in imports of such commodity classes as grain, tobacco, petroleum products and metal products.

Norwegian exports to the U.S. during January-May 1963 were valued at $42 million, a decline of some 12% from 1962 levels.

A U.S. Machinery and Equipment Trade Mission visited Norway during May to stimulate trade and investment opportunities. The business proposals presented by the mission to Norwegian businessmen created noteworthy interest and should result in expanded U.S. trade with Norway.

Norway's imports from all sources totaled $750 million during January-May 1963, compared with $699 million during the same period in 1962; while Norwegian exports during January-May 1963 were valued at $422 million compared with $400 million in 1962. The U.S. ranked 4th both as a supplier and as a market for Norway. Sweden, the Federal Republic of Germany and the United Kingdom occupied the first 3 positions as suppliers and the United Kingdom, the Federal Republic of Germany and Sweden outranked the U.S. as markets for Norwegian goods.

Trade with EFTA

Norway's import trade with member countries in the European Free Trade Association (EFTA), which totalled $320 million during the first 5 months of 1963, accounted for 42% of the country's total import trade. This represents a 2% increase over the same period of 1962.

Norwegian exports to EFTA countries during the same period totalled $176 million, or about a 9% increase over 1962. This represents about 42% of total Norwegian exports. The EEC countries took 28% of total Norwegian exports and furnished 30% of total imports. An increase in trade with the Federal Republic of Germany made the increase in export trade with the EEC countries in 1963 greater than with the EFTA countries. Exports to EEC countries were valued at $117 million and imports from these countries were valued at $221 million.

The Norwegian Government, which has been moving rapidly toward complete liberalization of imports, announced a new liberalization schedule. By January 1, 1965, only 4 commodities controlled by the Ministry of Commerce will remain subject to import license. They are husked and broken rice, precooked rice, beet and cane sugar and ships (goods subject to license control by the Ministry of Agriculture are not included in this list).

Global quotas

Global quotas established for the period July 1, 1963 to June 30, 1964, for the limited number of products still subject to import license generally follow the pattern of the previous year. Among the quotas of interest to American exporters are: rice, husked or broken; boiled rice (instant rice), $112,800; fruit and vegetable juices, $42,300. The global quota established for rice is divided among importers of rice for the production of "puffed rice" and for sale to retail stores. The allocation for the former is $84,600, and $28,200 for the latter.

The forecast for Norway's fresh apple and pear crop indicates a drop in yield in 1963. This smaller yield is due to the cold winter which froze a large part of the fruit buds. As a consequence, it is anticipated that the opening date for apple imports into Norway will be considerably earlier than in 1962 when it was set for February 18. Because of the lower pear production it is expected that pears will be accepted for import into Norway in time for the Christmas trade.

Additional information can be obtained from the following Department of Commerce publications:

Economic Developments in Norway, 1962. OBR 63-63. 3 pp. March 1963.

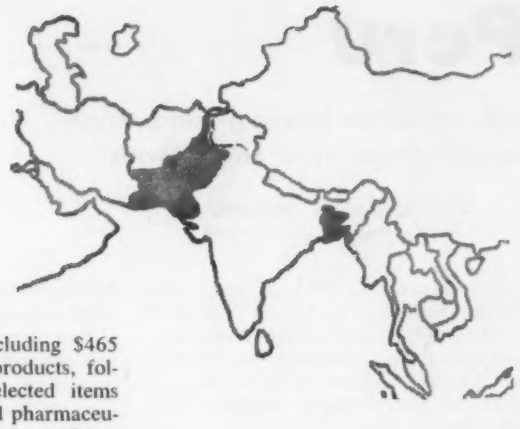
Establishing a Business in Norway. WTIS. Part 1, No. 62-47. 12 pp. May 1962. 15 cents.

Licensing and Exchange Controls, Norway. WTIS. Part 2, No. 62-41. 3 pp. August 1962. 10 cents.

Pakistan

U.S. trade volume continues to grow despite recent political strains

By ROBERT W. WEISE, JR.
Near East-South Asia Division, OIRE



The outlook for U.S. exports to Pakistan should remain favorable and it is unlikely that there will be any sudden shift in economic factors which will alter the present quarter of a billion dollar level of annual U.S. exports to Pakistan.

However, political developments in U.S. relations with India and Pakistan, and Pakistan's maneuvers to seek new political and economic alignments with Red China may affect the trade outlook.

While natural disasters and a surging population growth have caused temporary setbacks in the rhythm of economic development, particularly in the agricultural sector, industrial production in Pakistan has continued to rise and work on water and power projects envisaged in the Second Five Year Plan proceeds at a satisfactory pace. The financial health of the economy remains sound and the country should continue to benefit from a high level of foreign aid.

Cyclones and monsoon floods did considerable damage to the Chittagong port facilities during May and June and interfered with the flow of aid and development goods to East Pakistan.

The main impetus for U.S. exports to Pakistan will continue to be derived from the Aid-to-Pakistan Consortium, loans by the Agency for International Development (AID), and projects financed through the Export-Import Bank. In May 1963, the Aid-to-Pakistan Consortium committed itself to lend Pakistan an additional $425 million during the fourth year of the Second Five Year Plan. Half is to come from the U.S., $80 million from the World Bank and its affiliate, the International Development Agency, and the remainder from Belgium, Canada, France, West Germany, Italy, Japan, the Netherlands, and the United Kingdom. When added to the unutilized portions of commitments made to Pakistan in previous years, the total consortium aid available to Pakistan on June 30, 1963 stood in excess of $600 million.

By way of fulfilling U.S. commitments under the consortium, AID announced in July that loans totaling $106.4 million would be made to Pakistan, the largest of which is $70.5 million for the import of general commodities, including $465 million for iron and steel products, followed by other general selected items such as DDT, medicines and pharmaceuticals, dyes, paper and paper products, agricultural equipment, copper and copper products. Other AID loans include: $14.5 million to the Pakistan Western Railway for rolling stock and telecommunications equipment; $5.6 million for consultants to the West Pakistan Water and Power Development Authority (WAPDA); $5 million for WAPDA's machinery pool; $4.7 million for water and sewage facilities at Karachi; $1.5 million for consultants to the East Pakistan Directorate of Health and Engineering, and $1.5 million for East Pakistan's WAPDA's mechanical equipment organization.

Industry studies

Under the AID program to encourage feasibility studies in Pakistan, 6 American companies have initiated studies of the following industries: paper products, commercial fisheries, plastic manufacture, a machine tool plant, and a carbon black plant. These surveys look to the establishment of joint ventures with local investors in Pakistan. Under an AID contract, an Investment Advisory Center is also being established at Karachi to assist in preparing preinvestment studies.

Pakistan's foreign exchange reserves remain limited. Incentives to increase export sales were provided under the new Pakistan budget for 1963-64. These included such measures as increasing the bonus voucher allowance from 20% to 30% on the export of cotton textiles and the establishment of a rebate on taxes payable by export houses. Pakistan's import policy for July-December 1963 emphasizes the need for ensuring the availability of essential raw materials, capital goods, and spare parts, while at the same time permitting some increase in the supplies of essential consumer goods.

A 43% increase in the investment ceiling for new industry in the private sector, established under the new Industrial Investment Schedule approved in February 1963, has received an active response. The new schedule, which will be in effect for the remainder of the Second 5-Year Plan, is intended to emphasize a shift to heavy engineering and metal processing industries and away from textile and light consumer goods. New and increased taxes enacted in the 1963-64 budget are not expected to affect seriously the operations of U.S. business firms in Pakistan.

The U. S. supplied 41% of Pakistan's imports during the first 6 months of 1963. U.S. trade statistics show that U.S. exports to Pakistan totaled $170.4 million, compared with $115.6 million in the first half of 1962. Wheat shipments, largely under PL 480, accounted for almost one-third of total U.S. exports. Iron and steel mill products, the second largest group, accounted for $33.2 million or 19.5%. This was followed by industrial machinery ($16.5 million), motor vehicles and parts ($10.5 million), and electrical machinery ($4.7 million).

U.S. imports from Pakistan of $24.4 million for the first 6 months of 1963 were also running slightly ahead of the $23.7 million for the first half of 1962.

Additional information can be obtained from the following Department of Commerce publications:

Economic Developments in Pakistan, 1962. OBR 63-53. 8 pp. March 1953.

Pakistan's Licensing and Exchange Controls. OBR 62-5. 5 pp. November 1962.

Foreign Trade of Pakistan, 1956-57. WTIS. Part 3, No. 59-15. 4 pp. May 1959. 20 cents.

Import Tariff System of Pakistan. WTIS. Part 2, No. 62-35. 2 pp. June 1962. 10 cents.

Investment Factors in Pakistan. WTIS. Part 1, No. 62-3. 12 pp. February 1962. 15 cents.

Peru

U.S. importers losing ground; must match competitors' credit terms

By RICHARD H. MULLINS
American Republics Division, OIRE

U.S. exports to Peru in 1963 may decline slightly from their 1962 level of $184 million even though total Peruvian imports continue to grow. Thus, in both absolute and relative terms, the U.S. share of Peru's import market could diminish this year.

Total U.S. exports to Peru for the first 6 months of 1963 were $88.6 million, down 5.9% from the $93.8 million recorded for the same period last year. Through April 30, the U.S. share of the Peruvian market had declined from 42% for the same period in 1962 to 37% in 1963. Although the U.S. share has declined regularly for several years, this may be the first year since 1959 that U.S. trade in absolute terms failed to increase.

Despite the less dominant position of U.S. products in the Peruvian market during recent years, U.S. exporters could supply more of that expanding market, particularly with equipment and material for large construction projects, if they would grant payment terms as liberal as those given by their foreign competitors. Many Peruvian importers operate on relatively small margins of capital, paying for their purchases from receipts of sales, and therefore frequently buy from the source extending the best payment terms, at times even to the detriment of quality.

A recent order by the Superintendent of Banks requesting commercial banks to limit their issuance of guarantees for import transactions has made it more difficult for Peruvian importers to obtain the necessary guarantees for financing from local banks, and they must rely even more on supplier financing. Credit conditions in Peru have generally been good over the years, and the credit standing of a majority of Peruvian firms is high.

U.S. suppliers have also failed to exploit adequately their ability to deliver promptly, one of their most important advantages in a highly competitive market. U.S. exporters should also be prepared to make the most of the U.S. government's economic assistance to Peru, which is likely to increase now that a constitutionally elected civilian government is again ruling the country.

Peru imposes no exchange restrictions and requires licenses on only a few import items, but restricts imports of specific articles by charging high duties and limiting credit.

The most important U.S. exports to Peru during the first half of 1963 were machinery and vehicles, including electrical and non-electrical industrial machinery and transport equipment, including automobiles, trucks, and buses. Exports of these items comprised 54% of the 6-month total, and were the only major categories which increased over the same period last year.

Manufactured goods, particularly iron and steel mill products and textile goods and yarn, chemical and pharmaceutical goods, foodstuffs and inedible vegetable products, were also important. Exports of these items accounted for an additional 35% of all U.S. exports to Peru between January and June.

The decline of exports was general with the exception of a 2% increase in machinery and transport equipment and a small expansion of tobacco exports. Other general groups of items imported during the year thus far include manufactures of base metals, fuels and lubricants, and fertilizers.

Among specific U.S. export items with a ready market in Peru are: agricultural equipment and implements; insecticides; antibiotics; automatic vending machines; steam boilers and centrifugal pumps; diesel engines; edible fats and oils; electrical fixtures and supplies; nitrogenous fertilizers; industrial chemicals; industrial and mining machinery and spare parts; lubricating oils; greases; medical, hospital, and laboratory equipment; newsprint and woodpulp; and road-building and construction equipment.

Under the current development plan, Peru's imports are expected to reach almost $750 million by 1970, compared with $538 million in 1962. The share of capital goods, mainly machinery and equipment, will undoubtedly expand considerably, with the share of consumer goods declining proportionately.

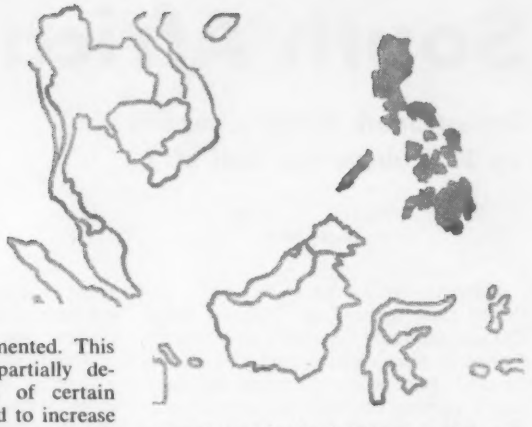
The recent election and change of administration created no major changes in the economy, which presents favorable long-range prospects. External and internal financial positions remained unimpaired, exchange rates continued stable, stock and bond prices did not decline, cost of living and price indexes varied little, and there was no speculative outflow of funds. Foreign reserves reached a low of $94 million on June 15 but were quickly restored and at the end of August had reached an all-time high of $117 million, compared to $107 million at the end of 1962. The new Belaunde administration has also acted to maintain the current favorable climate necessary to attract foreign investment capital.

Peru's foreign trade imbalance during the first 5 months of 1963 was $27 million compared with a negative balance of $3 million for the same period 1962. Imports rose 6% to $233.2 million while exports fell 5.4% to $206.6 million. The imbalance did not affect the supply of foreign exchange reserves, however, and despite a possible trade deficit for the year as a whole, a small surplus on the balance of payments account is expected. Peru's international reserves have continued to grow despite a trade imbalance —evidently the result of a large share of the increase in imports being capital goods financed in part through greater net receipts of official and private long-term capital.

The fishmeal industry, cornerstone of Peru's export activities in 1962, is momentarily in a tight spot financially, but will continue to have a bright future if it restores the balance between production and consumption and uses credit wisely. However, a decline of trade in an important export such as fishmeal could have far-reaching repercussions on the entire economy.

Philippines

Growing market coupled with rise in U.S. sales despite reduced tariff preferences



By KENNETH A. GUENTHER
Far Eastern Division, OIRE

An expanding Philippine market offers U.S. suppliers good sales possibilities despite the reduced tariff preferences accorded U.S. goods. Japanese and western European competition, however, will continue brisk.

Over the short run, economic activity is uncertain pending the outcome of the important Congressional elections in November and the solution of the long-running dock strike which has periodically tied up the Manila south harbor since May.

U.S. suppliers made a major readjustment in 1962 as tariff preferences accorded U.S. goods in the Philippine market declined from 50 to 25%. U.S. sales dropped $64.5 million from their 1961 level to $268.3 million in 1962 as the U.S. percentage share of the Philippine market declined from 47% to approximately 43%. Having made this adjustment, U.S. suppliers are again holding their own in the preference market.

U.S. exports gain

Despite the Manila dock strike, U.S. Bureau of Census statistics show that U.S. exports in the first half of 1963 at $151.8 million are running 14% higher than the comparable 1962 level. Items showing a marked gain were crude and synthetic rubber; pulp, waste paper and textile wastes; drugs, chemicals, plastics; textile yarns, fabrics and made-up articles; both industrial and electrical machinery particularly power-generating, agricultural and electric power machinery; and transport equipment.

Recently announced public works projects (telecommunications and land reclamation) and the expansion of sugar milling and lumber and fish-processing facilities offer good immediate sales opportunities. The Philippine embargoes on imports from South Africa may increase U.S. sardine sales in this market.

Continued expansion of U.S. exports to the Philippines is tied to the future performance of the Philippine economy. Philippine-development planners project an approximate $240 million expansion in total import requirements by 1965 if the goals of the 5-year socio-economic plan are successfully implemented. This implementation in turn is partially dependent on the enactment of certain economic legislation designed to increase domestic and foreign investments in key industries and to provide the Government sufficient revenues for the development of transportation and communication facilities, water resources (including electric power), and port and harbor facilities.

Bright note

At present the brightest aspect of the Philippine economy is the continued high export earnings. Export receipts in the first six months of 1963 rose $61.7 million over the comparable 1962 period to $331.8 million chiefly as a result of improved prices in the world market and increased shipments of copra, logs and lumber, coconut oil, abaca, copper concentrates, dessicated coconut and iron ore. Philippine statistics also show that merchandise imports rose only slightly over the comparable 1962 period to $259.5 million.

Reflecting the high level of export receipts and moderately increased invisible receipts, the reserve position of the Philippine economy has strengthened noticeably, rising from $134.4 million on January 14 to $156.6 million on August 14. The Philippine peso remains stable at ₱3.9 to the U.S. dollar.

The combination of high export earnings, steadily increasing credit and money supply, large Government expenditures and scarcity of goods resulting from production shortfalls, distribution problems, and the Manila dock strike has pushed prices up to highs. In response to these inflationary pressures, the Philippine Central Bank increased the reserve requirement from 5 to 6%, reduced the rediscount quotas of commercial banks to one-half their net worth, and the Philippine Government is selling large quantities of basic foodstuffs at subsidized prices. Mediation of the dock strike which has congested the Manila harbor and resulted in the placement of a "congestion surcharge" on Manila freight rates also continues.

Capital investment up

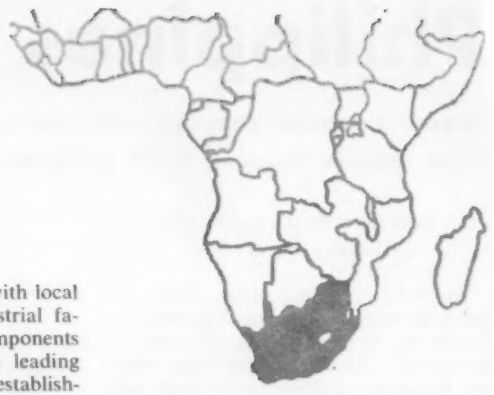
Capital investment (partnerships and corporations) has risen steadily in 1963. In the second quarter investments totaled about $275 million (70.4 million pesos) compared with about $214 million (54.8 million pesos) in the first quarter. A large number of the new domestic ventures probably represent reinvestment by Chinese businessmen who, as a result of nationalization laws, are moving from the rice and corn retail trade to abaca and coconut industries, general merchandising, manufacturing and lumbering.

For American investors, the U.S. Embassy in Manila points to opportunities for joint ventures in the diversification plans of the sugar planters, in meat processing, food canning, pulp and paper, machine tools, chemicals and petroleum exploration. President Macapagal has recently emphasized his Administration's preference for joint international business ventures with substantial Filipino capital and management participation.

Important financial developments which may have an impact on future Philippine economic growth include the inauguration of the Private Development Corporation of the Philippines and the establishment of an investment subsidiary of the Philippine National Bank. Both institutions will provide additional medium and long-term development loans for private industry.

In addition, the Security and Exchange Commission granted permission for the establishment of a second securities market at Makati, hoping to attract the shares of hitherto closed corporations into the public market. At the present time, a major factor inhibiting industrial growth is the narrow equity base of Philippine firms, and an almost total dependence on debt financing.

South Africa



Robust South Africa's imports up 22% above first half of '62

By WALTER W. SOHL
Africa Division, OIRE

Building upon the substantial, sustained gains realized in 1962, the South African economy improved at a steadily increasing tempo during the first 6 months of 1963. With nearly all trends and indicators turning upward, the general outlook is for further growth into 1964.

Increased buying power, some liberalization of import restrictions, industrial expansion, and favorable financial and business developments should provide opportunities for expanding U.S. exports.

While the moderate easing of trade controls is a factor in increasing imports, the primary inducement stems from the expanding domestic economy, resulting from the drive for economic self-sufficiency.

Trade in balance

The Republic is stressing imports of those commodities required to promote industrial expansion for a self-contained economy. U.S. exporters are competing for this business, and profiting by each unpredictable relaxation of controls. U.S. sales to South Africa for the first half of 1963 stood at the $124.6 million level, an increase of $14 million over the same 1962 period.

Major American exports to the South African market consisted of industrial, construction, excavation and mining machinery and parts; automobiles, parts and accessories; raw cotton and manufactures; petroleum and products; electrical machinery and appliances; and rubber and manufactures.

On the other hand, U.S. imports from South Africa totaled $124.5 million, against $129.9 purchased through June 1962. Principal U.S. purchases in South Africa included ferro alloys, ores and metals; precious, semi-precious and imitation stones; raw wool; sugar; shellfish and products; asbestos and other nonmetallic and metallic minerals and manufactures.

The upward trend re-established between 1961 and 1962 for U.S. business interests, when direct investment increased by nearly 15% to a total of $353 million, appears to be continuing in 1963. Most of this increase represents re-investment of earnings, as U.S. firms with local establishments add further industrial facilities. Local automotive components and agricultural machinery are leading examples of manufacturing establishments being added under the present policy of the South African Government to encourage those industries which contribute to growth and self-sufficiency.

Government stimulation has helped do away with the degree of sluggishness which persisted in 1962, in spite of the basic soundness of the economy. This slowness has been largely replaced by a significant upturn in business activity. The financial field is illustrative of this improvement. South Africa's gold and foreign exchange position continues to show marked improvement, reaching a record level of $736.4 million by August 30, compared to $603.1 million at the end of 1962.

At mid-year, official reserves of the South African Reserve Bank stood at a 15-year high of $452.6 million. The accumulation of these reserves can be attributed to exchange control measures, import controls, and record gold production. Rising bank deposits are now, as in the past, contributing to the high liquidity level of the banking system. However, due to the rapid growing economic activity within the Republic, its import bill for the first half of 1963 showed a 22% increase over the corresponding period of 1962 and, accordingly, the surplus on current account stood at just $90 million at the end of June.

Gold offsets imbalance

Even if the imbalance of trade existing at mid-year should prevail throughout 1963, the steadily increasing gold production would still more than offset the additional external payments required. Improvement in the fiscal and monetary situation should in fact permit further relaxation of export controls beyond the rather modest ones announced in December and September. Together these removed over 50 items from the "restricted list," permitting importation by regular permits and also increasing total allocation for capital goods to 125% of the 1959/60 average imports and to 50% for consumer goods.

However, the South African Government recently rejected the possibility of abolishing exchange controls on security transactions or on capital transfers for other purposes, noting instead that the Republic must continue to husband its resources to enable it to repay maturing loans and heavy foreign expenditures for development projects.

Policies and outlook

While foreign investment capital is increasing, the South African Government is placing heavy reliance upon the provision of capital from within to finance capital expansion programs. In order for this "capital expansion" psychology to succeed, South African businessmen must continue to overcome any residual indecisiveness about expanding under today's rather uncertain conditions.

The emphasis upon economic nationalism has caused the Republic to adopt a policy of manufacturing the bulk of its strategic requirements domestically. While it might seem, therefore, that only short-term benefits may be realized by U.S. exporters, the rapid expansion of an already industrialized economy may create additional, although changing, demand for U.S. products.

In general, barring further adverse political developments which might be reflected in the commercial sphere, the South African market offers prospects for the expanded sale of American goods.

Additional information can be obtained from the following Department of Commerce publications:

Import Tariff System of Republic of South Africa. WTIS. Part 2, No. 61-65. 3 pp. September 1961. 10 cents.

Preparing Shipments to the Republic of South Africa. WTIS. Part 2, No. 62-2. 8 pp. January 1962. 10 cents.

Spain

Import duty reductions, investment promotion point to good outlook for U.S. exports

By ARLEY T. CAUDILL
European Division, OIRE

The outlook continues good for U.S. exports to Spain in the coming months.

A limited list of liberalized imports was issued in March, and in July Spain became a full member of the General Agreement on Tariffs and Trade, with resultant reductions in import duties on several hundred products. Foreign exchange reserves continue high. The recent measures for promoting foreign investments should further stimulate imports of industrial machinery and raw materials.

The most important feature of Spain's foreign trade in the first half of 1963 has been the continuation of last year's increase in imports. Preliminary figures show an increase during the first 6 months of 1963 of 34% over the first half of 1962 to a total of $953 million.

The composition of these imports reflects the liberalization of imports and the build-up of Spanish industries. Nearly two-thirds of all imports consist of machinery, electrical apparatus, precision instruments, minerals, metals, chemicals, and transportation equipment. Another 22% consists of foodstuffs.

U.S. exports increase

U.S. exports to Spain in the first half of 1963 totaled $162.9 million, an increase of 38% over the $117 million registered during the first half of 1962.

Spain's total exports fell about 16% in the first half of 1963 compared with the like period of 1962 to about $383 million. The decrease was caused principally by the citrus freeze and difficulties with olive oil. Excluding these two commodities, total exports show a very slight gain. During this period the Government stepped up its export promotion program with speedier refunds of excise taxes on exported goods. Further measures are being contemplated.

Spain's sales to the United States amounted to $48 million in the first half of 1963, a moderate increase over the $45 million listed in 1962. Major U.S. imports from Spain are olives and olive oil, metals and metal manufactures, and chemicals.

Spain's gross reserves of gold and foreign exchange declined slightly, standing at $1,011.4 million at the end of May compared with $1,018 million at the end of July 1962.

The number of tourists entering Spain in the first half of 1963 increased by 15% over 1962 to a total of 2,497,000. Gross tourist receipts during the first 5 months increased by 43% over 1962 to a total of $203 million.

More tourists to U.S.

The number of Spaniards traveling abroad is also increasing since tourists now have less difficulty in obtaining foreign exchange. In the first 5 months the number of tourists going to the United States reached 2,237 persons, a 30% increase over 1962. Although this number is still small, it is enough to make travel agents feel that their time has been well spent in participating in Visit U.S.A. Committee activities, in Barcelona and Madrid, and in conducting somewhat larger advertising campaigns.

In recent months the Spanish Government has enacted several measures designed to facilitate investments. Regulations were issued in January permitting unrestricted establishment, expansion, and transfer of facilities within the country in most industrial sectors.

At the same time, regulations provided that a wide range of industries must conform to minimum capacity and technical standards which were later established. These new standards apply to new industries and do not affect existing enterprises.

In April, another important decree removed the existing limit of 50% foreign ownership. This decree authorizes foreign corporations and individuals to invest in unlimited amounts in enterprises of various industrial sectors. Principal industries affected by this measure are iron and steel, nonferrous metals, cement, textiles, machinery construction, electronics, and hotels. Investments in these industries may be effected by transferring foreign currency to Spain, contributing capital goods, or through technical aid, patents, or trade-marks.

In May a decree was published eliminating license requirements in most agricultural investments, providing the investment meets certain minimum capacity and sanitary standards.

Another decree abolished the requirement that new stock issues be divided into those that could be sold to foreigners and those which could not, thus allowing all shares to be sold to foreigners.

These measures show the interest of the Government in attracting more foreign investment to finance the Economic Development Plan, which depends upon a rise in the annual level of foreign investment.

Industrial production up

Industrial production was higher in the first half of 1963 than during the first half of 1962. The sharpest increases were registered in foods and beverages, wood and cork, metal processing, and electricity. Electricity production, often used as an index of total industrial activity, increased during the first 6 months of the year by more than 17% over the first half of 1962. Glass, ceramics, and cement, however, were lagging.

Weaknesses appeared or were accentuated in several sectors of the economy. Among these are iron and steel, textiles, chemicals, and construction.

An important development was the release in June of information on the broad lines of the Spanish Economic Development Plan covering the 1964-67 period. The Planning Commission stated that the basic objective is a 6% annual rise in gross national product per capita.

An antimonopoly law, which the Minister of Commerce described as the most important measure during his term of office, was passed by the Cortes (Parliament) in July. This law would prohibit or restrict, among other things, price fixing, price discrimination, sharing of markets and sources of supply, and limiting of production, distribution, technical development, and investment.

Sweden

Special 'Trade Month' and Trade Mission should boost U.S. sales

By GRANT OLSON
European Division, OIRE

Favorable prospects for the sale of U.S. products in Sweden will continue during the second half of 1963. Employment is high, production and orders on hand in key export industries show improvement, activity in the building industries is brisk and agricultural production is favorable.

The improved economic situation has made it possible for the Swedish Government to gradually suspend measures taken to stimulate business. In June the Swedish Riksbank increased the official discount rate from 3.5 to 4%. This measure was adopted to help curb some of the inflationary pressures in the economy.

The country's economy is now expected to grow by between 4% and 4.5% during 1963 rather than at the January forecast of 3% to 3.5%. The improved growth rate is attributed to domestic anti-cyclical investments and to a general upswing in economic activity in Western Europe and the U.S.

Sweden's industrial wages, which have been rising for several years, were 8% higher in May of this year than in the same month of 1962. This rise is partially due to a shortage of skilled personnel in various sectors of industry.

Personal consumption has been running high but increases in consumer prices have been slight during the first part of this year.

Trade with U.S.

U.S. trade relations with Sweden during the first half of 1963 were marked by the preparation and celebration of Swedish-American Trade Month during May. While the trade month celebration was in progress a U.S. Trade Development Mission visited the country. Both of these activities intensified the interest of the Swedish businessmen and consumers in U.S. products.

Swedish official import statistics show that during the first 5 months of 1963 goods worth $148 million were brought into the country from the U.S., compared with $138 million during the same period of 1962. The increase in trade began in April after an extensive period of declining imports of U.S. products.

The rise in imports has not been uniform. The statistics show 1963 trade gains for such commodities as foods, tobacco and tobacco products, hides, skins and furs, coal, medicinals and pharmaceuticals, certain chemical products, leather and leather goods, paper manufactures, textile yarns and wearing apparel, non-ferrous metals, metal manufactures, machinery and appliances, professional and scientific instruments and apparatus.

Commodity classes which failed to show an improvement during the period under review include petroleum products, animal and vegetable oils, dyes and tanning materials, plastic materials, textile fibers, rubber products and motor vehicles, aircraft and transport equipment.

Swedish exports to the U.S. dropped from $71 million in January-May 1962 to $64 million in the same period of 1963. Lower values of such products as pulp, paper and machinery contributed to the drop in Sweden's exports to the U.S.

Sweden's total import trade also showed an increase during the first 5 months of 1963. It amounted to $1,016 million as compared with $953 million in the same period of 1962. The U.S. again ranked third as a supplier following the Federal Republic of Germany and the United Kingdom. In most instances total imports declined in the same classes of goods where imports from the U.S. declined.

Two Swedish Government studies released during the first half of this year conclude that the tariff preferences of Europe's regional trading areas, EFTA and the EEC, have had no marked effect on Sweden's trade through 1962. The analysis of EFTA's impact concludes that tariff preferences granted by Sweden to other EFTA member countries and enjoyed by Sweden have had no impact on the Swedish trade or import pricing patterns. Other factors such as dynamic merchandising and income changes have been more important. The same conclusion was reached with regard to Sweden's foreign trade with EEC countries.

However, future developments in the EEC, such as tariff changes in the common external tariff put into effect July 1, 1963, are causing concern in Swedish industrial circles. In the long-term, Swedish producers feel that EEC industry will repattern its investment program to take advantage of these preferences to compete more strongly in sectors where Sweden has heretofore enjoyed an advantage.

Sweden's export trade with EFTA member countries reached $476 million during the first 5 months of 1963 and imports during the same period were valued at $409 million. Sweden's exports to EEC countries during January-May 1963 amounted to $353 million and imports during the same period were valued at $529 million.

Additional information can be obtained from the following Department of Commerce publications:

Economic Developments in Sweden, 1962. OBR 63-62. 4 pp. March 1963.

Patent and Trademark Regulations of Sweden. OBR 62-33. 6 pp. December 1962.

Basic Data on the Economy of Sweden. WTIS. Part 1, No. 60-31. 12 pp. June 1960. 10 cents.

Establishing a Business in Sweden. WTIS. Part 1, No. 59-74, 9 pp. October 1959. 10 cents.

Foreign Company Law of Sweden. WTIS. Part 1, No. 56-45. 4 pp. May 1956. 10 cents.

Import Tariff System of Sweden. WTIS. Part 2, No. 62-45. 2 pp. August 1962. 15 cents.

Licensing and Exchange Controls, Sweden. WTIS. Part 2, No. 61-7. 4 pp. January 1961. 10 cents.

Preparing Shipments to Sweden. WTIS. Part 2, No. 61-14. 5 pp. March 1961. 10 cents.

Switzerland

Prospects good for increasing sales of variety of U.S. products

By ALEXANDER DAUMAN
European Division, OIRE

Switzerland's continuing prosperity offers good prospects for increasing the sales of various U.S. products in the Swiss market. Total U.S. exports to that market, however, may be lower this year.

Short-term outlook excellent

In spite of a slight slowdown of activity in a few economic sectors, the outlook for the Swiss economy for at least several months ahead appears to be excellent. Domestic consumption is rising. Industries are fully occupied and both exports and imports are on the rise. However, the chances for an overall increase in U.S. exports to Switzerland are not very good in this calendar year. Swiss total imports are not expected to rise as sharply this year as in 1962, and imports of a few U.S. commodities are showing a decline. There are, though, excellent possibilities for further expansion of U.S. sales of a wide range of products both in consumer and capital goods categories for which demand is growing.

U.S. products in demand

Rising standard of living and changing living patterns of the Swiss population, which has more leisure time at its disposal, favor demand for sportswear, casual clothing, camping equipment, and other outdoor living accouterments. Swiss department stores have been successful in selling such U.S. products, as well as toilet articles, toys, hardware, glassware, various gadgets, tableware, terry cloth items, dresses, lingerie, children's clothing, and foodstuffs. The last three categories sold especially well.

In the industrial field, opportunities for U.S. goods appear to be equally good. In view of the continuing labor shortage and rising wages, Swiss producers are relying more and more on increasing productivity through plant modernization. As a result, there is a demand for sophisticated labor-saving U.S. machine tools, for handling equipment, and for electric and electronic controls and testing instruments. Further mechanization of the construction industry provides a ready market for U.S. construction equipment especially of the heavy type.

How to sell

Because of Switzerland's generally liberal trade policy, low customs duties, and continuing prosperity, the market is strongly solicited by European producers who demonstrate significant flexibility in adjusting their products, credit terms, and advertising allowances to Swiss conditions. To sell successfully in Switzerland the U.S. exporter must be able to counter this competition by displaying similar flexibility. He should also keep in mind that to Swiss importers the quality of merchandise, as well as seller's ability to deliver on time, are often more important than price.

A Department of Commerce consumer goods trade mission is currently visiting Switzerland in an effort to further expand U.S.-Swiss trade. A recent visit to Switzerland of a private industry trade mission was sponsored by the American Gear Manufacturers Association.

Foreign trade up

Swiss foreign trade continued to show a sizable deficit. According to Swiss statistics imports in the first half of 1963 reached $1,577 million while exports totaled $1,148 million, showing respective increases of 4.3% and 7.9% over trade in the first half of 1962.

U.S. exports to Switzerland in the first half of 1963 declined to $145 million from $154 million for the first half of 1962, according to preliminary U.S. Bureau of Census statistics. This decline was primarily the result of a sharp drop in sales of U.S. aircraft from $19 million to less than $2 million. A large decline, however, has been expected as Swiss demand for U.S. jet airliners has been essentially satisfied during the past 3 years. U.S. exports of foodstuffs, principally grains and poultry, have also declined significantly. Part of these losses, however, has been offset by sharply increased exports of U.S. manufactured goods and chemicals.

As a result of the overall decline in U.S. exports to Switzerland, and the increase in total Swiss imports, the U.S. share of the Swiss import market declined to 8.6% from 10.4% for the first half of 1962. In contrast, the Common Market countries increased their aggregate share of the Swiss import market from 62.7% to 64.6%.

Industry active

Swiss industry as a whole remained fully occupied during the first half of this year. Several Swiss producers of heavy machinery have recently received important orders, from various oversea countries, which will take 2 to 3 years to complete. Although declines in new orders have been reported by certain machinery producers, the machinery and metals industry as a whole has an average order backlog of about 10 months. Many Swiss businessmen believe, however, that orders will generally decline in the future as a result of increasing spread between the Common Market external and internal tariffs. The Common Market area takes over 40% of Swiss exports.

All four principal Swiss industries—machinery, chemical, watch, and textile—which together account for 80% of total Swiss exports and 17% of Swiss gross national product, registered export gains during the January-June period of 1963. In the construction sector, there was a significant slowdown in housing completions. Tourism was another important sector where activity declined.

Retail stores benefited from brisk consumer buying which boosted their sales in the first 5 months of 1963 about 9% above the level recorded in the comparable period of 1962.

Additional information can be obtained from the following Department of Commerce publications:

Economic Developments in Switzerland, 1962. OBR 63-61. 9 pp. March 1963.

Taiwan

Quick rise in imports from U.S. unlikely but longer-range prospect is encouraging

By MAURICE KOGON
Far Eastern Division, OIRE

U.S. exports to Taiwan have fallen sharply in recent months and prospects for an early improvement are dim.

Lethargic industrial activity, rising protectionist sentiment, strict controls on consumer imports, and a further reduction in U.S. aid contributed to an over-all $13 million reduction in Taiwan's imports in the first half of 1963. American suppliers were the heaviest losers, as imports from the United States dropped by $10 million in the same period.

Returning confidence

Longer-run prospects are more encouraging. The June 30 termination of special defense assessments imposed last year and a reduction of interest rates on July 1 should spur industrial and commercial activity by easing the profit squeeze on producers and stimulating purchasing power. Business confidence appears to be improving already, as reflected in a large increase in inquiries from potential investors and a similar rise in the volume of loan applications from local businessmen.

In addition, the foreign exchange position is improving month by month and there may be some possibility of relaxing import restrictions tied to the availability of foreign exchange. For the first time since the Chinese Government moved to Taiwan in 1949, export earnings exceeded the costs of all imports, including U.S.-aid arrivals, after the first 7 months of 1963. Tourism is booming and may yield a record $2.5 million in foreign exchange by the end of the year.

Phasing-out

Offsetting these long-run indicators of future import growth is the planned phasing-out of U.S. aid, which finances 25% of Taiwan's total imports and over 50% of imports from the United States. Again, American suppliers will be principally affected—the commodities they have been supplying under aid-financing will more and more be subjected to keen competition, particularly from Japan. Aid-financed imports dropped from $120 million in 1961 to $90 million in 1962 and are currently running about 20% below the corresponding 1962 level. At the same time, imports from the United States, valued at $150 million in 1961 and $150 million in 1962, fell to $80 million by the end of June 1963, compared with $90 million for the same period last year.

Principal U.S. exports to Taiwan in the first half of 1963 were wheat and soybeans, raw cotton, iron and steel scrap, machinery and tools, chemicals and pharmaceuticals, fertilizer, transport and comunications equipment, and lubricating oil.

Possibilities noted

Additional opportunities in the face of strict exchange-controls on consumer goods and sluggish industrial activity are still limited. However, these specific possibilities for U.S. sales are noted: bakery equipment, fire-detection and fire-fighting equipment, synthetic fibers, newspaper waste, TV tubes over 17 inches, and wood-processing machinery.

Competition in most commodity-areas is extremely keen. Japanese penetration of the market—facilitated by lower freight costs, traditional ties with Taiwan, and an apparent willingness of Japanese suppliers to forego their initial profits to get a "foot in the door"—is noticeably increasing. When faced with this kind of competition, American suppliers may have to give much greater consideration to ► lowering prices perhaps even below the customary margin of profit level where necessary; ► offering delivery and payment terms as liberal as those offered by the Japanese; ► offering superior quality and service; and ► tailoring products to local needs.

Sweeping shifts

Chinese data show a spectacular increase in exports and a sharp drop in imports through June 1963. Exports during the period, owing chiefly to higher sugar prices, increased by $42 million (34%) to $167 million and should greatly exceed the full-year goal of $280 million. Imports amounted to $170 million, a drop of $13 million (7%) from January-June 1962. Consumer-goods imports suffered the heaviest losses, but raw materials and capital goods—notably raw cotton, ores and metals, and machinery and tools—were also down. Imports from the United States fell from $90 million to $80 million, while our share of the market decreased from 49 to 47%.

Investment activity reflected trends toward more technical-assistance agreements with local industries and toward medium- and small-scale capital investments. Several large investments were also made, including a $7.7 million joint venture between Gulf Oil Corporation and the Chinese Petroleum Corporation. The total level of investments approved by the Government in the first half reached $18.1 million, or just $1.9 million below the goal for the whole of 1963.

Background

Additional information can be obtained from the following Department of Commerce publications:

Basic Data on the Economy of Taiwan. OBR 63-34. 27 pp. February 1963.

Economic Developments In Taiwan (Formosa), 1962. OBR 63-36. 6 pp. February 1963.

Establishing a Business in Taiwan. WTIS. Part 1, No. 62-11. 17 pp. March 1962. 15 cents.

Import Tariff System of Taiwan (Formosa). WTIS. Part 2, No. 61-2. 2 pp. January 1961. 10 cents.

Investment Factors in Taiwan. WTIS. Part 1, No. 61-67. 9 pp. September 1961. 15 cents.

Licensing and Exchange Controls, Taiwan. WTIS. Part 2, No. 62-22. 6 pp. May 1962. 10 cents.

Preparing Shipments to Taiwan (Formosa). WTIS. Part 2, No. 55-49. 4 pp. March 1955. 10 cents.

Thailand

Industrial development creates potential for U.S. exports; market shows expansion

By LARRY V. LUTHER
Far Eastern Division, OIRE

Thailand showed evidence in early 1963 of a rising tide of economic development and expansion. At the same time U.S. goods and investment capital penetrated the Thai market.

Development loans, steady export earnings, rising purchasing power, and substantial progress in industrialization are expected to provide a generally attractive climate for U.S. exporters and investors.

Loans boost economy

Thailand's two-way foreign trade exceeded the $1 billion level in 1962, and export earnings during the first 6 months of 1963 of $252.2 million indicate another year of increased foreign exchange earnings is in the offing.

Adding to the country's immediate income, commitments for a total of $60 million in foreign exchange loans, in addition to those already on tap, were received in the early months of 1963. These will be used within the next few years for basic infrastructural and industrial development.

Sectors of the economy included in development plans are railway and highway transport, telecommunications, hydroelectric and irrigation projects, and various private industrial enterprises. Of special significance to U.S. exporters is the announcement of a $35 million World Bank loan to the Thai Government for partial financing of a $62 million highway development program. U.S. suppliers are expected to compete favorably for the road maintenance and construction equipment, engineering services, and technical training contracts which will be negotiated on an international competitive basis.

The State Railway of Thailand has announced that foreign manufacturers or suppliers who wish to participate in tenders for the railway program must have local agents in Thailand or must agree to sell through local merchants acting as their representatives. U.S. suppliers are urged to send a representative or engage a competent Thai agent with an intimate knowledge of the Thai market and general business practices, and to be prepared to adequately support their representative in business negotiations in their interest.

Important opportunities for U.S. exporters in the Thai market are being provided by an increasing number of American capital ventures. Among these are a major U.S. rubber firm which laid the cornerstone for a $10 million tire and rubber plant in early 1963, and another U.S. firm which recently opened its $3.5 million plant for the manufacture of a well-known detergent. Several U.S. and foreign firms are reportedly considering the establishment of an integrated steel mill in Thailand.

Also, a proposal by private U.S. investors to finance the establishment of an industrial park program and to operate the developed park under a long-term lease procedure is currently being considered by the Thai Government. The proposal envisages making land, power, water and transportation available at a reasonable rate.

Trade center good tool

The U.S. Trade Center in Bangkok has become an excellent and inexpensive marketing tool for U.S. business firms—particularly those taking the first step into international trade—to test a foreign market and to obtain local representation for their products in Thailand.

The Trade Center has held successful exhibits during the first 6 months of the year featuring automobile and truck accessories, small farm machinery, and pharmaceutical products. Products of 147 U.S. manufacturers were exhibited to over 21,000 commercial visitors during this period.

From the Center's opening in May 1962 to June 1963, an estimated minimum of $600,000 in direct sales have been reported by the exhibitors. In addition, over 90 U.S. firms have entered the Thai market, and over 40 exhibitors concluded agency-agreements with Thai representatives (many other firms are currently conducting agency-negotiations) as a result of Trade Center shows. This creates potential for substantial long-range sales of a multitude of product lines.

Thailand continues to be a lucrative market for U.S. suppliers, particularly those who sell chemicals, fuels, and manufactured goods of all types. According to statistics, U.S. exports to Thailand for the first 6 months of 1963 were valued at $38.4 million, 8.2% above a similar period in 1962, and comprised about 18% of the Thai market. Imports from Thailand increased concurrently from $19.4 million to $21.5 million, also a gain of 8.2%.

Principal product groups exported by U.S. businessmen during the period under review and their values were beverages and tobacco (primarily unmanufactured tobacco), $3.7 million; crude materials, $1.8 million; mineral fuels, lubricants and related products (primarily petroleum and products), $1.3 million; chemicals and related products (medicinal and pharmaceutical products and chemical specialties), $4.4 million; manufactured goods (rubber, textile, metal manufactures), $8.8 million; industrial, construction and electrical machinery and transport equipment, $15.3 million; and miscellaneous manufactures (scientific and photographic equipment, printed matter), $2.2 million.

In general, all categories except chemicals and related products showed substantial increases over the comparable 1962 period, indicating both an intensified across-the-board U.S. sales effort and the concurrent implementation of Thailand's major infrastructural and industrial development projects.

Additional information can be obtained from the following Department of Commerce publications:

Economic Developments in Thailand, 1962. OBR 63-43. 5 pp. March 1963.

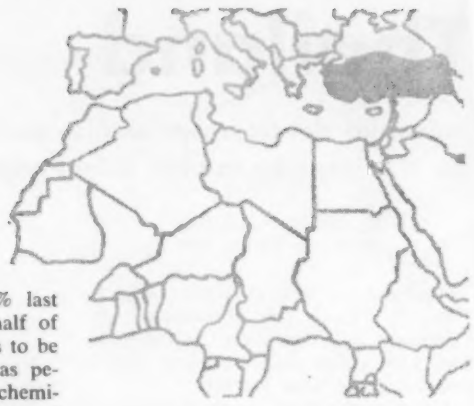
Establishing a Business in Thailand. OBR 63-27. 10 pp. January 1963.

Import Tariff System of Thailand. WTIS. Part 2, No. 61-1. 2 pp. January 1961. 10 cents.

Turkey

Low exchange earnings make AID funds vital to increased U.S. export sales

By BARBARA H. HISE
Near East-South Asia Division, OIRE



The low level of Turkish foreign exchange earnings means that U.S. exports to Turkey will be largely affected by the amount of U.S. PL-480 and dollar aid.

As 1963 aid allocations are depleted, exports during the second half of 1963 may drop well below the January-June level of $122.7 million. Total 1964 shipments should exceed the 1963 level, however, as disbursements on previously signed development loans increase.

U.S. exports to Turkey during the first half of 1963 were only slightly above the comparable period in 1962, $122.7 million compared with $117.5 million. However, 1963 shipments of PL-480 commodities were only $34.3 million, well below the $73.2 million registered in January-June 1962, due to a large drop in wheat shipments. Aside from PL-480 commodities, U.S. exports to Turkey increased from $44.3 million in January-June 1962 to $88.4 million in the 1st half of 1963—the major change was a $34 million jump in sales of machinery and transport equipment (from $24 million to $58 million).

U.S. exports

U.S. industrial machinery exports to Turkey rose from $10.3 million to $30.5 million, including an $8 million jump in sales of metalworking machinery, while electrical machinery and appliances increased from $2.5 million to $14.9 million. Other smaller increases were noted in exports of metal manufactures and iron and steel products.

The value of U.S. imports from Turkey declined slightly from $32.8 million in January-June 1962 to $30.8 million in January-June 1963. This small change is due primarily to a decrease in imports of chrome ore and chromite from $2.2 million during the first half of 1962 to $700,000 in 1963. Other major U.S. purchases remained at about the same levels: tobacco, $22.3 million for January-June 1963; and nuts, $3.2 million.

Although the U.S. remains the largest single source of Turkish imports, the Common Market countries are becoming increasingly important in Turkey's trade. As a result, the U.S. share of the Turkish market dropped from 29% last year to about 26% in the first half of 1963. However, the U.S. continues to be a major supplier of such goods as petroleum and petroleum products, chemical products, plastic materials, iron and steel products, machinery, and vehicles.

The semi-annual import programs for 1963 continue to stress the import of goods for developmental needs in an effort by the Government of Turkey to substitute domestic output for imported goods whenever possible. Turkish exports have not kept pace with the sharp rise in imports required to meet the investment demands of the first Five Year Plan, resulting in a serious increase in the trade deficit and reduction of foreign exchange holdings to unprecedented low levels.

Total imports for January-June 1963 reached $286 million (excluding PL-480), a 21% rise over the first 6 months of 1962, while total exports for January-June amounted to $174 million, or 5% more than the $165 million registered during the first half of 1962.

The slow but steady upturn in business activity which became evident at the end of 1962 has continued through the first half of 1963 despite the May coup d'etat attempt. As the investment drive of the Five Year Plan got underway, there was a noticeable boost in economic activity, with output in the manufacturing sector climbing in practically all industrial branches.

Consortium pledges

In July the members of the OECD Consortium for Aid to Turkey concluded their negotiations on contributions to Turkey's 1963 development efforts. The U.S. has pledged $120 million, which includes a $35 million program loan, $57 million in project loans, and $28 million in supporting assistance. In addition to a European Monetary Fund credit of $50 million and the International Monetary Fund standby credit of $21.5 million, other Consortium members have pledged the following amounts for 1963: West Germany, $40 million; France, $25 million; United Kingdom, $10.8 million; Italy, $10 million; Canada, $5 million; Belgium, $1.6 million; Austria, $0.8 million; and Luxembourg, Netherlands, and Sweden, $2.83 million.

Negotiations were also completed on the Association Agreement between Turkey and the European Economic Community which was signed September 12 in Ankara. The objective of the Agreement, the participation of Turkey in European economic integration through a customs union, will be reached in 3 stages.

During the first "preparatory" phase, to be completed in about 5 years, Turkish commercial development will be aided through trade preferences for tobacco, raisins, dried figs, and hazelnuts, Turkey's main exports to Europe, and, financially, through a $175 million loan from the European Investment Bank.

During a transitional period, not to exceed 12 years, the customs union will be introduced with Turkey gradually adopting the Common Market's common external tariff for all commodities, as well as its policies in other economic fields.

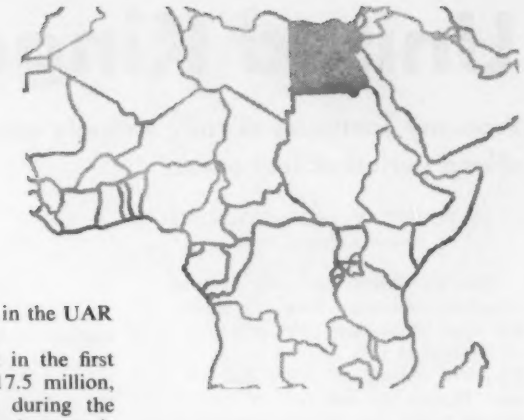
The final definitive phase will conclude the process of Turkey's economic integration with the Community in an association framework. The possibility of a further step, full membership of Turkey in the EEC, has been left open.

Foreign investment interest remains high as a steadily growing number of foreign firms investigate investment possibilities in Turkey. Local private investors with licensing or similar relationships with foreign firms are pursuing new projects in such diverse fields as truck and bus assembly, cola soft drinks, cosmetics production, assembly of small gasoline engines and manufacture of water pumps.

Investment possibilities are also being studied in plastic materials and petrochemicals.

UAR (Egypt)

More U.S. trade depends largely on foreign aid and UAR's ability to earn exchange



By ROGER D. SEVERANCE
Near East-South Asia Division, OIRE

With the continuing shortage of hard currency severely restricting imports, prospects for increased U.S. trade depend largely on the United Arab Republic's ability to earn exchange (especially through cotton sales, the Suez Canal, and tourism), the availability of commercial credits and foreign assistance.

Hard currency earnings by the UAR in 1962 were unusually low and little increase is expected in 1963. Foreign currency reserves—excluding gold for currency backing—amounting to $24 million on December 27, 1962, continued at a low level in the first half of 1963, and totaled $20.9 million on August 22. The UAR trade deficit for 1962 climbed to $308.4 million, up substantially from the 1961 deficit of $172.0 million. Foreign indebtedness remains high.

Imports increase

According to UAR statistics, total imports in 1962 amounted to $672.8 million, up from $560.7 million in 1961. Exports were down to $364.1 million from $388.4 million in 1961. The most important causes of the large trade deficit were the increase in imports of P.L.-480 commodities, and the substantial decline of $47.6 million and $3.3 million, respectively, in exports of raw cotton and rice from 1961 to 1962. Imports of iron and steel products, electrical machinery, and motor vehicles and tractors increased considerably to meet the needs of the Five Year Plan.

First quarter UAR statistics show total imports of $176.4 million and exports of $154.4 million. Imports for the corresponding period of 1962 were $132.5 million; exports, $105.6 million.

Much of the trade of the UAR is under bilateral trade agreements and foreign assistance agreements which do not reflect hard currency earnings or expenditures. Of the 1962–63 cotton crop of 926,003 bales, hard currency earnings are estimated at $72.5 million. The balance, about 65% of the total, was shipped under bilateral arrangements.

The major hard currency earner for the UAR is the Suez Canal. With earnings of $124 million in 1962, the Canal continues to be a bright spot in the UAR economy.

U.S. exports to the UAR in the first 6 months of 1963 were $117.5 million, down from $146.4 million during the similar period in 1962. The decrease is due to a drop in P.L.-480 shipments, which were held up because of the East Coast dock strike, and to the continuing import restrictions imposed by the UAR because of the lack of foreign exchange.

Conserve foreign exchange

In addition to the already stringent licensing controls on nonessential products, the UAR has taken additional steps in 1963 to conserve the supply of foreign exchange. Priority has been given to productive projects while expenditures for all other projects in the public sector have been cut 10%. Restrictions were placed on foreign travel by Egyptians. All foreign exchange matters were placed under the control of a Ministerial Planning, Credit and Exchange Committee headed by the Chairman of the Executive Council. This committee has the sole authority for exchange transactions and the responsibility for drawing up foreign currency allocations for Development Plan projects.

Recent U.S. aid includes the signing of a U.S. AID $30.6 million development loan for the Cairo West Thermal powerplant (prime contractor, Westinghouse International Corp.), approval of a $5.7 million loan for expansion of the Ratka board mill near Cairo, and an Export-Import Bank $12.5 million loan for purchase of 50 diesel locomotives from General Motors.

A sizable portion of U.S. exports to the UAR is in form of shipments of agricultural products, principally wheat and wheat flour under P.L.-480. These shipments amounted to $162.5 million in 1962 and are expected to continue at this rate during 1963, under the $390 million 3-year agreement concluded in 1962.

Cooley funds available

As a result of P.L.-480 shipments, substantial local currency (Cooley) funds are available to U.S. investors. On August 25, these funds amounted to the equivalent of $27.2 million.

Of major interest to U.S. investors was the signing of an AID Investment Guarantee Agreement with the UAR on June 29. Under the agreement, the investor may guarantee his new investment against expropriation, inconvertibility, and war risks. The UAR Government must approve the activity to which the investment relates and agree to the guarantee of the investment by the United States.

In sum, however, the climate for new investment deteriorated during 1963, as the pace of nationalization in the UAR increased. All cotton ginning mills were nationalized and 100% Government ownership of cotton export firms was established in April. Flour and rice mills were fully nationalized in May. All pharmaceutical firms and laboratories with the exception of three foreign firms were nationalized by a decree issued June 16th.

On August 12, the UAR nationalized 276 industrial and transportation companies. This nationalization included many firms in the foodstuff, chemical, and textile industries. Private prospecting and exploitation rights were also nationalized at this time.

The tourism industry is being rapidly developed in the UAR and foreign investment capital is being sought for contruction of hotels and motels. Hard currency earnings from tourism rose to $17.5 million in 1962 from $7.1 million in 1961.

Additional information can be obtained from the following Department of Commerce publications:

Basic Data on the Economy of the United Arab Republic (Egypt). OBR 63-95. 13 pp. April 1963.

Economic Developments in United Arab Republic (Egypt), 1961. WTIS. Part 1, No. 62-59. 15 pp. August 1962. 15 cents.

United Kingdom

Economy continues to rally strongly after slump period of last year

By ROBERT W. HAMMERSCHLAG
European Division, OIRE

With the British economy making an impressive recovery from the slump of last year, there are good prospects for an increase of U.S. exports to the United Kingdom during the latter half of this year. During the first half of 1963 U.S. exports to the United Kingdom remained at about the same level as in the comparable 1962 period; however our share of the total market dropped slightly.

A notable feature of the British recovery was a substantial increase in exports which accounted for about half of the rise in industrial production. Imports were also up, reflecting the increased industrial activity and the general mood of optimism in the British business community. There was a spurt in consumer expenditures, particularly for consumer durables, stimulated by reductions in the purchase tax. Demand for capital goods has lagged but there are signs that the investment cycle is reaching the point where capital expeditures will again begin to expand.

The British Government has continued its reflationary policies with a series of expansionary measures designed to stimulate investment and consumption. In the April 1963 budget, depreciation allowances were liberalized and special concessions were provided for investments in depressed areas. Income tax reductions contained in the budget were effective in July.

U.S. trade statistics show exports to Britain totaled $508 million, excluding reexports, in the first half of the year, virtually the same level as in the previous year. Our imports of $506 million from the U.K. were about 3% higher than in the comparable 1962 period. Our share of the British market dropped from 10.6% in 1962 to 10% this year. The failure of U.S. exports to exceed 1962 levels can be attributed in large measure to a decline in agricultural exports. Sharp drops in sales of wheat, corn and cotton were not offset by increased shipments of tobacco.

Exports of some industrial raw materials were up, particularly chemicals and plastic materials, while woodpulp and nonferrous metals held to 1962 levels. Some restocking of raw materials was evident in the second quarter of 1963 and this trend will probably continue as the U.K. economy expands. However, the present level of stocks make it unlikely that British imports of raw materials will be as heavy during the recovery period following the 1959 slump.

U.S. exports of machinery to the U.K. remained at the same level as in 1962, with a drop in non-electrical machinery balanced by an increase in sales of electrical machinery. Prospects for expanding machinery exports to the U.K. are bright.

Industrial investments

There are signs that industrial investment is turning up after a period of slump, and most economists believe that once this investment begins to rise, it will move upwards fairly rapidly, spurred by the special investment incentives provided in the Government's 1963 budget. Automation equipment, highly specialized industrial machinery and industrial control apparatus offer the most promising export opportunities for U.S. manufacturers.

The rising level of consumer expenditures in Britain also augurs well for U.S. exporters of consumer goods. It should be pointed out, however, that the British consumer appears cautious in his spending, and spectacular gains in this sector should not be anticipated.

Growth of exports

The growth of exports has been particularly encouraging for Britain as they were up about 6% in the first half of 1963 when compared with the same period in 1962. There was a noteworthy increase in exports to the Common Market, particularly France, with a smaller increase in exports to the EFTA countries and the Sterling area. Imports into the U.K. rose less than exports, increasing by about 4% with little change in supplier pattern. Stockbuilding began to show in the import figures for the second quarter of 1963.

The balance of payments in the first quarter of 1963 continued the improvement shown in 1962. The visible balance showed the first surplus for nearly 4 years and net earnings from invisibles were appreciably above the 1962 average. Provisional figures for the second quarter again show a surplus on visible trade.

After recovering from the speculative wave which attacked the sterling in the first quarter of the year, the pound has remained strong. Britain's reserves were bolstered by the August renewal of a $1 billion stand-by arrangement with the International Monetary Fund for 1 year.

Industrial production rose steadily from the January low point and the upward trend is expected to continue. The automobile industry has been a leading factor in the recovery, with output for the first half of the year totalling a record 803,000 vehicles. Although automobile exports are up, the current boom in the auto industry comes primarily from domestic orders which were spurred by a halving of the purchase tax last November. The chemicals industry is also having a good year and in the all-important engineering industry, the fall in the volume of orders-on-hand appears to have been checked.

Upturn seen

Although the pace of recovery has been quicker in consumer durables than in capital goods, most observers believe that the economy is no poised for an upturn in the private investment cycle. This view is given strength by results of the most recent questionnaire sent out by the Federation of British Industries, which indicates growing optimism in the business community and a decided increase in the proportion of firms expecting to authorize more investment both in plant and machinery. These investment plans, however, will probably not be translated into reality until early in 1964, although some effect may be felt in the last quarter of this year.

Venezuela

Business as usual despite terrorism and impending presidential election

By R. F. RODRIGUEZ
American Republics Division, OIRE

In spite of presidential and congressional elections and acts of terrorism, it's business as usual in Venezuela and prospects are for a rising level of exports and imports.

The economy has now recovered fully from its recession and balance of payment difficulties in 1959 through 1962. Total production of goods and services is expected to increase this year at about the same level as last year (5.7%); exchange reserves stood at $507 million in July and are expected to increase about $130 million for the year.

U.S. export data indicate that imports, which have been declining since 1957 due to balance-of-payment restrictions and protectionist measures, show signs of recovery.

U.S. exports to Venezuela in the first 6 months of this year stood at $242.4 million, compared to $240.7 million in the same period of 1962. The export rise was directly attributable to an increase in exports of machinery and transport equipment, which accounted for 46.1% of our total exports to Venezuela. Exports of aircraft rose markedly to $6.3 million, an increase of 458.3%, while exports of (unassembled) passenger cars also rose notably to $12.1 million, an increase of 111%.

Truck exports

Exports of motor trucks, buses and chassis stood at $11.3 million, an increase of 36.9%. Other exports registering increases were machinery for special industries, $8.2 million (up 13%); machinery, n.e.s., $26.9 million (up 7%); iron and steel mill products, $14.2 million (up 40%); non-ferrous base metals, $2.4 million (up 10%); manufactures of steel, $12.4 million (up 21%); plastic materials, regenerated cellulose and artificial resins, $2.7 million (up 7%).

On the other hand, exports of dairy products, cereals, tobacco, pulp paper and paperboard, textile products and medicinal and pharmaceutical products continued to decline.

The heavy emphasis on economic development, which has resulted in a high level of industrial development, helps explain the increase in imports of capital goods, while increased local production of consumer products and protectionist measures accounts for the decline in these products.

Major projects now being initiated, or to be initiated shortly, include: **(1)** Guri dam and hydroelectric power plant, which will provide an initial capacity of 350 million watts and is estimated to cost $137 million, of which $85 million represents foreign exchange cost; **(2)** the highway bridge across the Orinoco River, estimated to cost $30 million, of which the Export-Import Bank is financing $13.3 million for the purchase of U.S. equipment and services; **(3)** the construction by C. A. de Administracion Y Fomento Electricio of 230 Kv. of electric transmission lines from eastern Venezuela to Caracas. The foreign exchange cost of this project is estimated at $14 million. Expansion of a steel mill, the aluminum reduction and fabrication facilities, the petro-chemical complex and sponge iron and ferro nickel plants are among new projects under consideration or being initiated.

Petroleum

Petroleum exports, which account for 92% of the value of all exports, are expected to increase by about 2% this year. Iron ore exports, which account for about 5% of export earnings, have continued their decline, but this is expected to be partially offset by increases in other exports. Increased receipts from exports, mainly petroleum receipts, coupled with the de facto exchange devaluation of 1962, point to a strongly favorable balance-of-payment situation during 1963.

Total production of goods and services is expected to rise by a satisfactory margin, though perhaps somewhat below the 5.7% increase of 1962. The rate of increase in petroleum production has slowed from 9% in 1962 to 2% in 1963. But other sectors of the economy, notably construction, manufacturing and agriculture, are continuing their upward trend. The fiscal and monetary situation was also satisfactory, with the Government's budget likely to be in balance and price levels relatively stable.

Elections

In spite of these favorable developments, the outlook is to a great extent determined by the elections slated for the end of 1963. Investment decisions are likely to be delayed, and it is probable that uncertainty regarding the elections is contributing to continued capital flight. Most observers believe that the Accion Democratica Presidential Candidate, Raul Leoni, stands the best chance to win and, if so, expect a continuation of the moderate policies of the present Administration. However, successful implementation of these policies will depend on the makeup of the new Congress. Extremist parties, such as the Communist and MIR (Movimiento Izquierdo Revolucionario) are given little chance to win the election, but their terrorist activities have contributed to uncertainty.

In short, prospects are for gradual economic recovery during the balance of 1963. The outlook after that will be affected greatly by the makeup of the new Government, but should moderates continue at the helm, a notable spurt in the pace of development is expected.

Other information

Additional information can be obtained from the following Department of Commerce publications:

Economic Developments in Venezuela, 1962. OBR 63-73. 5 pp. March 1963.

Licensing and Exchange Controls in Venezuela. OBR 63-80. 7 pp. March 1963.

Yugoslavia

Skopje earthquake fails to slow down economic surge; U.S. sales up 25%

By ROBERT W. HAMMERSCHLAG
European Division, OIRE

Although the Skopje earthquake was a serious blow, there was considerable optimism in Yugoslavia that the upswing in the economy noted in the first half of 1963 would continue. The effects of the earthquake and the "most-favored-nation" problem create an uncertain prospect, however, for increased U.S. exports to Yugoslavia.

The reconstruction of Skopje will require products that normally would have been exported as well as a substantial amount of additional imports. Yugoslavia's balance-of-payments deficit will increase or the import of machinery needed for industrial expansion will have to be reduced. Further, Yugoslavia's repayment schedule for hard-currency debts in 1964 and the following several years is high.

The rapid increase in exports since mid-1962 was perhaps the brightest spot in the economic picture and prospects were for continued growth. Other favorable factors were the sharp increase in earnings from tourism, a new World Bank loan, and indications that the 1963 wheat crop would be the best in Yugoslavia's history.

U.S. exports to Yugoslavia in the first half of 1963 totaled $125 million, an increase of about 25% over the comparable level in 1962. Imports from Yugoslavia dropped slightly, amounting to $23 million. The increase in exports was almost entirely attributable to larger shipments of wheat and cotton under the PL 480 agricultural surplus disposal program. Sales of machinery were lower than in the comparable 1962 period. There was apparently little change in the pattern of U.S. imports from Yugoslavia.

The trend of U.S.-Yugoslav trade relations is uncertain at present, pending action by Congress to determine whether Yugoslavia will continue to receive "most-favored-nation" treatment.

For the short term, the goods which Yugoslavia is most likely to buy in the U.S. include pharmaceutical raw materials, basic chemicals, cotton (under PL 480 and perhaps commercially), construction and mining machinery for top-priority projects, and various types of specialized electronic goods. Sales prospects for consumer goods are poor.

Industrial production has continued to increase at higher than the planned level. Output in May and June was 14% and 17% above the same months of 1962. Production for the half year was 14% higher and prospects are for this rate to continue through the rest of the year. It is not believed that the earthquake will affect this prospect. Skopje's industrial output is small, accounting for 1% to 2% of the Yugoslav total.

Official spokesmen pointed out that this year's rapid increase in industrial output stemmed from both higher domestic and foreign demand. They re-emphasized that Yugoslavia's domestic market was limited and greater efforts should be made to tailor production to foreign markets.

The most significant increases recorded over the 6 months were in the electrical equipment industry, the chemical industry, shipbuilding, leather production, textiles, and the rubber, paper and tobacco industries. Those industries which had lagged behind during the first quarter picked up somewhat, with ferrous metals and petroleum registering 6-month gains of 3% and 4% respectively. The building materials industry recovered from its first quarter slump with a 14% increase over the first half of 1962.

Tourism up

Tourism during the period more than matched the encouraging industrial picture; during the first 5 months of the year foreign exchange receipts from this source totalled $9.2 million—an increase of 86% over the same period in 1962. It now appears that Yugoslavia will have the best tourist year in its history. In fact, officials now hopefully estimate total foreign exchange earnings of some $60 million, one-third higher than in 1962.

After running below the 1962 level during the first quarter, investments in fixed capital assets have been above that level since April. During the first half year they were almost 9% higher than during the same period of 1962. Leading economic officials worried publicly that a continued lag in capital investment might snuff out the recovery. The central government's share in capital investment continued to decline markedly, amounting to only about 20% during the first 6 months.

A number of important investment projects were announced during the second quarter. The World Bank loan was granted for completion of the Central and the Adriatic Highways, and will involve completion of the sections Ljubelj-Naklo, Belgrade-Osipaonica and Sibenik-Bar by the middle of 1965 at a total cost of almost $100 million, of which the Bank will supply $35 million.

Foreign contractors

An important innovation is that certain sections of the projects will be thrown open for international tenders and for the first time since the war foreign firms will be permitted to act as prime contractors on Yugoslav investment projects.

On June 11 an agreement with Rumania was initialed calling for the construction of a $400 million project during the period 1964-71 to facilitate navigation through the Iron Gates of the Danube, and hydro-power stations which will generate over 10 billion kilowatt hours annually will be constructed on both sides of the Danube. It is reported that Yugoslavia and Rumania will share the cost of the hydro-plants equally and the costs of the navigational features of the plan will be paid for by its users.

Other important investment projects announced were the electrification of 1,800 kilometers of Yugoslav railroad, principally the lines Sarajevo-Ploce, Rijeka-Zagreb, Ljubljana-Jesenice, and Belgrade-Nis. The World Bank is expected to assist in the financing of the first-named line.

Near East-South Asia

Smaller countries offer opportunities in capital equipment, consumer goods

By GEORGE S. AYRES
Near East-South Asia Division, OIRE

The most promising opportunities in the Near East for U.S. firms are in the fields of small complete industrial plants, engineering services, and a variety of consumer goods. In the smaller countries of South Asia there are a number of trade opportunities for the sale of certain types of capital equipment, raw materials for local industries, and a limited number of consumer items.

Afghanistan

With the reopening, in August 1963, of the Afghan-Pakistan border, which had been closed for almost 2 years, activity in the commercial sector of the economy has picked up. In spite of the border difficulty, U.S. exports to Afghanistan jumped from $1.9 million in the first half of 1962 to more than $5.6 million in the corresponding period in 1963.

Resumption of a number of AID projects, which had continued on a reduced scale, included shipments of P.L.-480 wheat via Pakistan and the increased emphasis placed on the country's second 5-year plan. U.S. firms may find it advantageous to break into this too-long-overlooked market. During the first half of 1963, the Government of Afghanistan instituted exchange reforms by establishing an official exchange rate (45 Afghanis to US$1), and shortly afterwards, it introduced a new customs tariff.

Burma

The Revolutionary Government of Burma continued its announced policy of pursuing a socialistic course. Banks were nationalized, private business was further restricted, and a number of private industries applied for permission to close. In spite of these developments, U.S. exports to Burma increased from $3.7 million in the first 6 months of 1962 to $5.1 million in the corresponding period of 1963, primarily as a result of larger purchases of machinery. As Government tenders now account for more than 90% of Burma's total imports, American companies contemplating selling in this area should concentrate on the many business opportunities announced regularly by the several purchasing boards of the Burmese Government.

Ceylon

In the first half of 1963 U.S. exports to Ceylon amounted to $7.9 million, a $2 million increase over the first 6 months of 1962. This increase is attributable to the supply of P.L.-480 wheat flour. Looking to the future, there is reason to expect a slightly improved market for U.S. consumer goods.

The Government recently announced that restrictions on importation of luxury and semiluxury items would be lifted to the extent of granting importers limited allocations of these goods. This liberalizing move has, however, been partially offset by the simultaneous raising of the already high import duties on the same items, thus placing them beyond the reach of all purchasers except the small wealthy class.

Principal U.S. exports to Ceylon consisted of refrigerators, all types of electrical appliances, luxury bathroom fittings, and other household wares, and synthetic textile materials. U.S. exporters may wish to examine carefully the prices and credit terms offered by European, Japanese, and Commonwealth competitors in the Ceylon market for consumer as well as capital goods.

Iraq

U.S. exports to Iraq amounted to $15.9 million in the first half of 1963, a slight drop from the $17.1 million for the same period in 1962. The Iraqi Government announced recently that $152 million had been earmarked for establishment of a fertilizer plant, a sulfur extraction plant, a pulp and paper mill, a synthetic fiber plant, a glass factory, the Kirkuk-Baghdad oil pipeline, and a number of power projects.

U.S. firms interested in participating in Iraq's basic industrial development and prepared to offer long-term credits should take note of these numerous opportunities for both services and equipment. Since February the swing in purchases of manufactured goods from the Soviet bloc to the West has opened up new possibilities for U.S. firms to sell in the Iraqi market.

Kuwait

In the first half of 1963, the United States exported about $29 million worth of goods and services to Kuwait, equaling the sales of the corresponding period in 1962. Kuwait offers an exceptionally attractive market because of its immense oil revenues and its 4%, across-the-board, import duty. All types of goods, including consumer and luxury items, can be sold in Kuwait by U.S. businessmen.

Saudi Arabia

A substantial drop in U.S. exports to Saudi Arabia from $48.4 million in the first half of 1962 to $28.5 million in the first half of 1963 is to be explained largely by the exceptional sale of two passenger jet aircraft in the earlier period. Another, though less important factor, was the revolt in Yemen, which undermined business confidence and caused importers to rely on stocks already accumulated.

Principal exports of the United States to Saudi Arabia have consisted of all types of goods including both heavy and light machinery, vehicles, grain, lubricating oil, pharmaceuticals, metal manufactures, iron and steel mill products, rubber products, and fruits and vegetables.

Saudi Arabia has embarked on a program of building its infrastructure by improving and extending roads, port facilities, telecommunications, water and sewerage systems. These projects will call for the services of foreign engineers and consultants.

More information

Additional information can be obtained from the following Department of Commerce publications:

Establishing a Business in Kuwait. OBR 63-91. 5 pp. April 1963.

Basic Data on the Economy of Ceylon. OBR 63-90. 18 pp. April 1963.

Basic Data on the Economy of Nepal. OBR 63-103. 13 pp. July 1963.

Trade of the United States with the Near East—Years 1959-61, and Half-Years, July-December, 1960-61. WTIS. Part 3, No. 62-29. 4 pp. October 1962. 20 cents.

Hemisphere roundup

Variety is the keynote among smaller American nations; outlook generally good

Differences in climate, resources, and backgrounds are reflected in the outlook for some of the smaller markets in the Latin American republics, although on the whole the prospects are generally favorable.

With continued support from AID funds the Bolivian market for U.S. goods is expected to improve. The national development program of Ecuador will require expanded imports from the U.S. Jamaica's newly-won independence is likely to bring about a greater degree of economic orientation toward the Western Hemisphere.

The termination of Paraguay's trade agreement with the United States and limited foreign exchange resources combine to limit its foreign trade potential. In Uruguay, the scarcity of foreign exchange and increased surcharges on imports are expected to limit imports from the U.S.

Bolivia

The outlook for increased U.S. exports to Bolivia is good, with prospects of increased AID dollar appropriations, the acceleration of AID projects financed by previously appropriated funds, and the general improvement in Bolivian economic conditions.

These development coincide with the general improvement in the economic climate. Last year the gross domestic product increased more than 4% in real terms, with a stable domestic financial situation. This trend has continued into the first half of 1963. Imports expanded from $77.5 million in 1961 to an estimated $90 million in 1962 and a projected $100 million in 1963; the U.S. share increased from 42% of the total in 1961 to an estimated 46% in 1962. However, the reluctance of U.S. exporters to grant as liberal credit terms as important competitors may decrease the U.S. share of those imports not tied to AID loans. **R. D. Anderson.**

Ecuador

Indications point to a continued moderate upturn in Ecuadoran trade accompanied by an increase of U.S. sales to that country. Latest estimates are that both imports and exports expanded slightly during the first 6 months of 1963.

Confidence in the economy among the importing and business community is high, and is reflected in the constant appreciation of the sucre. Specific factors producing this general optimism and the outlook for increased U.S. sales include: the steady growth of GNP (estimated at 6% in 1962); increased exports of dollar-earning crops (up almost 13% in early 1963 over the same period in 1962); the large amount of unutilized loans available (about $54 million); foreign reserve holdings which are up almost 50% over this time a year ago; effective control over contraband imports, thereby releasing exchange for legitimate imports; the apparent determination of the new Government to cooperate closely with international agencies within the framework of the Alliance for Progress, thereby attracting new aid and loans; and the newly-published national development program stressing industrial development and consequently increasing the demand for imports of capital equipment. **Gary Adams.**

Jamaica

With complete independence achieved in 1962, Jamaica's economic orientation toward the Western Hemisphere has increased.

Jamaica's new membership in various international organizations along with increasing U.S. private investment in the island, and growing exploratory activity by Jamaican officials for expanded trade create an outlook for economic expansion in 1964 with increasingly bright prospects for U.S. business.

Gross National Product in 1962 was approximately £260 million pounds (one pound equals $2.80), up 2.1% over 1961. Trade has increased, with imports rising faster than exports. Total imports for the first 6 months of 1963 were $109 million, of which almost $31 million was from the U.S., making its share of the market approximately 29%.

Adding to the overall favorable outlook for the future is the 5-year Development Plan announced by the Jamaican Government in July 1963. A wide range of new industrial incentives to attract capital, especially to rural areas, is included. **Alfred Ortiz.**

Uruguay

The scarcity of foreign exchange and new and increased import surcharges on most goods tend to dampen the prospects for increased U.S. exports to Uruguay, although U.S. goods are often preferred in that market.

However, Uruguay's industrialization plans indicate that capital equipment will be in constant demand. Most industrial machinery is exempt from the new surcharges and commands a refund of all import duties, and the emphasis on industrialization has been reflected in the recent formation of a private development association that works closely with the government.

Further, the various Government agencies and cooperatives continue to require equipment for such operations as electricity, telecommunications, and aviation. In agriculture, there is increased emphasis on the use of fertilizers, while local production traditionally falls far short of the demand.

Partially due to the recent devaluation, it now appears that Uruguay may not register a balance of payments deficit for the year as a whole, which should improve the future supply of exchange in the market. **William Spruce.**

Paraguay

Exchange devaluations in neighboring countries, along with a lack of demand in Paraguay's greatest export market, Argentina, have kept Paraguay's market supply of foreign exchange fairly low, though foreign exchange reserves of the central bank have improved.

Termination of all but the most-favored-nation provision of the 1946 U.S.-Paraguayan bilateral trade agreement and of similar agreements with European nations has resulted in increased basic duties on certain imports, including chemicals and pharmaceuticals. U.S. products that will not face major duty increases include trucks, tractors, and office machines.

It is hoped that the new bilateral agreement with Argentina, negotiated within the LAFTA framework, plus the continuing possibility of a general economic upturn in that market, will raise the level of Paraguay's exports and bolster the exchange situation. Current expansion of manufacturing operations in Paraguay, while not substantial, continues to provide a moderate market for capital goods, although U.S. exporters must offer liberal credit terms to compete with European machinery. **William Spruce.**

Cambodia, Laos, Viet-Nam

Area shows modest trade increase; high percentage of imports financed by U.S. a boon for exporters

By NANDOR CHEPLO
Far Eastern Division, OIRE

For the region comprising Viet-Nam, Cambodia, and Laos, 1963 appears to be a year of improvement despite some periodic slowdowns in economic activity due to political reasons. There was some progress in agricultural and industrial production and a modest increase in trade of the area.

In the first half of 1963, exports of rice and rubber increased. Non-AID imports increased at a greater rate than did AID-financed imports. The countries continued their programs of economic development and social welfare and have undertaken large defense commitments.

The United States manifested its support of the countries through continued project and commodity aid programs. A high percentage of the countries' imports were financed by the U. S. sponsored Import Program, giving new opportunities to American firms to find markets for their products.

Viet-Nam

Business activity in Viet-Nam has registered some improvement in 1963 as compared with last year, although there was a slowdown in late summer.

Export licenses issued for the first half of this year were valued at $43.1 million, representing a 70% increase over the comparable period of 1962. Rice, the largest export item, was valued at $22.1 million, followed by rubber at $17.4 million.

Notwithstanding the improvement in business conditions, U.S. exports of $57.8 million in the first half of 1963 remained at about the same level as in the comparable period of 1962. Virtually all of that trade was financed with U.S. AID funds.

Vietnamese imports from the United States financed with Viet-Nam's own foreign exchange amounted to a little more than $1 million.

Laos

The former cash grant system of foreign aid for budgetary support in Laos was replaced by the new U.S. Import Program (USIP). Under the program, which provides $13 million for essential goods, the United States finances the mutually agreed basic commodities which Laos imports.

The program, which allows merchants to finance imports at the official exchange rate of 80 kip to US$1, helps to stimulate domestic commerce and industry. Although products from the less developed countries of the free world are eligible for procurement under the USIP, American businessmen are in a preferential competitive position in Laos.

It is anticipated that the program will build up consumer preferences for U.S. products in a market formerly served largely by non-American suppliers.

U.S. exports totaled US$2.5 million in the first 6 months of 1963, compared with US$1.3 million in the corresponding period of 1962.

Cambodia

Cambodia continues to run a large trade deficit for this year, notwithstanding substantial earnings from sales of its bumper rice and rubber harvests in 1962.

Despite Cambodia's increasing trade deficit, a stricter allocation of scarce foreign exchange in favor of imports essential to the country's development rather than for consumer goods, and complexities of the foreign exchange system with its multiple rates which make U.S. products less competitive in that market, U.S. exports in the first half of 1963 expanded modestly to $5.5 million as compared with $4.8 million in the comparable period of 1962. The market for American products is obviously limited and depends heavily upon the AID program.

A boost was given to sales of U.S. products in May as a result of the U.S. exhibit at Phnom Penh, featuring U.S. machines and equipment keyed to Cambodia's needs and interests. The show was a success in that positive sales at the exhibit amounted to $140,000, orders were placed for $62,000, and possible additional business was estimated at $37,000.

Additional information can be obtained from the following Department of Commerce publications:

Import Tariff System of Cambodia. OBR 63-48. 2 pp. February 1963.

Licensing and Exchange Controls, Cambodia. WTIS. Part 2, No. 61-53. 6 pp. August 1961. 10 cents.

Ireland releases new plan; lower tariffs begin in 1965

In August the Irish Government released its second long-term program for economic expansion covering the period 1964-70. Key points in the program are: an increase of 7% per year in industrial production and 2.7% per year for agricultural production. Electricity generating capacity will be increased by about 93% over 1960 by 1970.

Investment will be given priority and will increase at a faster annual rate (6.5%) than Gross National Product (GNP) until by 1970 it absorbs 18% of GNP.

In order to ensure that Irish industry will be competitive in conditions of freer trade, the Government proposes to cut protective tariffs by about one-third by January 1965, and to continue the process of reducing protection thereafter. The long-term program makes the assumption that Ireland will be a member of the EEC by 1970.

U.S. exports to Ireland for the first half of 1963 totalled $19.8 million, slightly higher than in the comparable 1962 period. U.S. imports from Ireland at $20.4 million were 25% above the 1962 level.

Portuguese industry grows, but imports from U.S. dip

In Portugal both the Ford and the General Motors automobile assembly plants were approaching completion at midyear. Three other plants for the assembly of foreign cars were under construction and ground was broken for a fourth.

Other major industrial developments were the inauguration of a large petroleum storage and distribution center, completion of a new plant for production of railway car trucks and couplings and the completion of a factory for the production of electric motors.

Work on the great suspension bridge across the Tagus at Lisbon advanced steadily. When completed, this bridge will be a major factor in the opening up of the less developed southern part of the country for industry, agriculture and tourism.

Portugal's total imports increased in the first half of 1963 but imports from the U.S. declined. Imports from the U.S. were valued at $25.5 million, or 8.5% of the total in the first half of 1963, compared with $27.5 million, or 10.3% of the total in the first half of 1962.

Temerity yes, timidity no

Bureau of International Commerce head calls for awakening to vast opportunities

America's export-expansion effort is generating more and more "sparks," but is not yet lighting enough "fires," Eugene M. Braderman, Deputy Assistant Secretary for International Commerce and Director of the Bureau of International Commerce, said in an October 8th address to the National Foreign Policy Conference for Editors and Broadcasters, meeting in Washington, D.C.

"We Americans do more traveling abroad than the people of any other country, yet know less about other countries and peoples than they know about us," Mr. Braderman observed.

"Most of us speak only one language —our own. In other countries, people with comparable education usually speak at least one foreign language. . . .

"Our export trade shows us up. We sell abroad only about 4% of our gross national product. Japan exports 9% of its GNP, Italy 10%, Germany 16%, Sweden 19%, Switzerland 22%, and The Netherlands 35%.

High volume

"Looking at it another way, of course, we are doing very well. Our export volume is high—higher than that of any other trading country. Last year it was just under $21 billion.

". . . it isn't only the large firms that sweeten the U.S. export pie by selling their products abroad. Small firms—even those just starting up—are succeeding in export.

"One enterprising American developed a cattle-skinning machine and started production in a one-man shop in 1958. With more initiative than capital, he ventured into export. In 1961, export sales accounted for 21% of his fast-growing business, which nows runs into six figures.

Unfulfilled potential

"We know about many other small firms that are doing a big business abroad.

"But we are not exporting up to our potentials. There is no reason why we should be satisfied with just 4%.

"Nor should we be satisfied with our export growth—40% since 1955. German, Italian, and Japanese exports have more than doubled since the same year. We can—and must—do better.

"When we think of export expansion, we think of selling in markets around the world. But we live in a divided world, and this raises problems.

"Selling more U.S. goods to the countries of the free world is entirely consistent with our foreign policy objectives. . . . But what about selling wheat to the U.S.S.R.? Sales to the communist bloc countries raise the question of possible conflict with one of our objectives —to prevent U.S. exports which might be detrimental to our economy, our foreign policy, or our national security. . . .

Extent of 'Bloc' trade

"Wheat for the U.S.S.R., of course, has created an out-of-the-ordinary problem for us. I have given it top billing here because it is hot news.

"Many people do not seem to know that we do do business with the Soviet bloc. U.S. commodities of military significance obviously could be used against us and so of course we use our control power to prevent them from going to any of the communist nations. There are other U.S. commodities that clearly have little or no strategic significance. They can be—and are—sold in Eastern Europe.

"U.S. exporters are required to apply to the Commerce Department for validated export licenses to ship some of these nonstrategic products abroad. In the second quarter of this year, we issued licenses for the shipment of $16.6 million in U.S. goods to Eastern European destinations.

"In addition, we have a long list of items that our businessmen can ship to the U.S.S.R. and its European satellites without even applying to us for validated licenses. . . . It includes ferromanganese; lead, tin, and zinc ores; household refrigerators, farm and home-type freezers and parts; electric and non-electric appliances; domestic sewing machines; commercial laundry and dry-cleaning equipment; home-type radio receivers.

"These and scores of other U.S. products can be shipped to the Soviet bloc under what we call a 'general license.' Any U.S. exporter can ship any of them to the European Soviet bloc simply by writing 'GLSA' on the export declaration. to indicate that it is a general license shipment.

"This may surprise you. It may surprise you even more to know that 85-90%, by value, of all U.S. exports to the entire world, including the Soviet bloc, go out under general license. The list of commodities which U.S. exporters *cannot* ship without applying to us for a validated export license is highly selective—and relatively short.

"There are stumbling blocks to U.S. export expansion, but export control is by no means one of the big ones. Many U.S. businessmen could export almost everything they make without stubbing their toe against it.

"You may think it should be easy for us to persuade American businessmen to go out and make money abroad. It is *not* easy. We are progressing, but not as much as we should. There are some 300,000 manufacturers in the United States. We estimate that about 90-95% of them still are not selling anything abroad. We are trying to get them to make the plunge into export. . . .

"With all these sparks, we feel there should be more fires. We have gotten lots of American firms to go into exporting and they are very happy with their added profits, but there still are too many U.S. businessmen who think only in terms of domestic sales.

"Just the other day I was talking with a man whose company does a $20-million-a-year business in the United States. The idea of expanding his profits by selling abroad left him cold. We meet all too many like him.

Missed opportunities

"Our American businessmen succeed in selling American consumers more radio and TV sets, more washing machines, and more cars than businessmen in any other country sell to their people. Our businessmen know how to sell. They can and should tap the expanding buying power overseas. But they hesitate to use their well-developed merchandising skills outside our country.

"Vigorous export salesmanship has long been a necessity in other trading countries. 'Export or die,' the British used to say.

"We have never faced the same crucial choice, and we do not face it today. We do, however, now feel the pressure of necessity, and the pressure is mounting."

Hardware men must look to markets overseas—Hurley

New sales and new profits await men who manufacture hardware, in many countries beyond our borders

A re-examination of selling products to include the growing export market was suggested to hardware manufacturers in New York recently by Neil C. Hurley, Jr., Chairman of the Board and President, Thor Power Tool Company, and Chairman of the National Export Expansion Council.

Speaking at the opening ceremonies of the National Hardware Show, Hurley said that all American industry has distance to travel in international trade but "If hardware lags in the race a furlong or two behind, it is probably due to the traditional patterns of sale that have long developed in the domestic market." Hurley said, "Perhaps due to competition from other countries and the fact that similar products are made abroad, many hardware manufacturers are erroneously more concerned about strengthening their own bastions against imports than seeking to battle on foreign ground."

He quoted one survey which showed that only one out of five hardware manufacturers was interested in foreign commerce.

Referring to the recent White House Conference on Export Expansion, he told the hardware men that the 1960's will be recorded as the time when American business changed from purely domestic concern to the horizons of international trade. He predicted that the hardware industry "will give to this developing notion the same enthusiasm and imagination that have made its contributions at home so significant." He said the hardware industry will, "for its own good, look to markets beyond our shores as the next big expansion of this effervescent industry."

Progress requires time

The business executive cautioned that once a company determines to expand abroad, it takes time to progress. "Selling agencies need to be established, possibly factories acquired or built, distribution achieved and consumer acceptance a reality. Perhaps salesmen must be sent to the area, advertising and marketing processes sometimes put into effect. This takes time, just as it would take time to do the same thing in New England, instead of England."

"But, the efforts will show up in shipments sooner or later," he said.

Hurley revealed some encouraging figures on export expansion. He said the U.S. commercial attache in Paris had his business calls increase from 6,000 in 1960 to 10,000 last year. Seventeen percent of the credits insured by the Federal Credit Insurance Association in its first year of operation were for exporters making first shipments overseas. Attendance at export clinics, world trade conferences and international exhibits in this country tripled during the past two years, he said.

"United States business is trying," he said. "And when United States business tries, it will succeed. Its goals have been broadened, its markets enlarged and its imagination stirred."

In closing Hurley said, "This (hardware) industry with the initiative and the imagination of the men who run it, who sell its products, who design them and merchandise them, will give a go ahead to discover new sales and new profits beyond our fifty states and on into the markets of a hundred countries beyond our borders."

BALL CARRIERS: This team of businessmen, selected at the September 25 "Little White House Conference" in Cleveland, is ready to take the field in Ohio's export expansion campaign. Shown left to right are: J. Paul Mossman, executive director, Youngstown Area Chamber of Commerce, heading Business Groups and Trade Associations; George J. Howick, international editor, *STEEL Magazine*, Cleveland, heading Publicity and Export Promotion; Richard A. Steudel, Sherwin-Williams Co., Cleveland, heading Export Marketing Research; Arthur W. Todd, Lincoln Electric Co., Cleveland, heading Education and Research; and Randall M. Ruhlman, Cleveland Chamber of Commerce, heading Export Prospect Development.

Foreign Trade Council elects 6 new directors

The election of six new directors of the National Foreign Trade Council has been announced by E. S. Hoglund, chairman.

Frank J. Pizzitola, president, Celanese International Company, New York City, was elected to a new position as a director.

Elected to the Board of Directors in replacement of retiring representatives of their respective companies were Charles B. Baker, president, U.S. Steel International, (N.Y.), Inc.; Donald E. Coyle, vice president—International Division, Chemical Bank New York Trust Company; Mario A. Di Federico, president, Firestone International Company, Akron, O.; William G. Fallon, Jr., president, Norton International Inc., Worcester, Mass., and Harold R. Stephan, general manager, General Export Division, Republic Steel Corporation, New York City.

BELGIAN REFINERIES

The Belgian petroleum industry is steadily augmenting its refining capacity. which reached more than 13 million metric tons at the beginning of the year.

Automobile service equipment scheduled to go on display at U.S. Trade Center in Milan

Jan. 28-Feb. 7 exhibit to include wide range of products in auto field; export chances good for U.S. companies

The newest U.S. Trade Center will open its doors for business next January in Milan with an exhibition of automotive service and maintenance equipment.

The Jan. 28-Feb. 7, 1964, show will include almost the entire range of products in the automotive service and maintenance equipment field, including the most advanced types of equipment for engine test and analysis, hydraulic brake testing and repair, wheel alignment, steam cleaners, power tools, impact tools, chemicals, polishes and accessories.

Not included in the exhibition will be replacement parts, small mechanics hand tools, and tires and tubes.

Room for 30

The Milan Trade Center should accommodate 30 exhibitors, allowing for a few large exhibits and reasonable allocation of space according to the nature of products to be displayed.

Recent market statistics, surveys and reports clearly indicate Italy is at the beginning of a major automotive boom. There are more than 3.7 million operating vehicles on the roads, a record production of 947,000 units in 1962, and forecasts of 7.7 million vehicles requiring service and maintenance by 1972.

Further information about U.S. Trade Centers is available from the Bureau of International Commerce, Office of International Trade Promotion, Department of Commerce, Washington, D.C., 20230.

A total of 25,000 garages, plus 6,500 out of 35,000 filling stations, now provide limited service for the vehicles currently operating. Total washing and greasing installations are estimated at 12,000. Garages with machine tools number 7,000 and those with diagnostic testing equipment, 300.

Sales prospects for U.S. products are good, especially the more advanced types. By U.S. standards, most of Italy's existing service stations and garages are poorly equipped.

Prices of U.S. products must be more competitive than in past years and a more aggressive sales effort is needed to capitalize on the opportunity.

The above conclusions of the potential market in Italy for U.S. goods were drawn by Pietro Gennaro and Associates, who conducted a market survey, and reports by the Commercial Staff of the U. S. Embassy in Rome and the Consulate General in Milan.

All exhibitors are encouraged to mount action displays to demonstrate their equipment. Displays requiring special treatment, such as exhaust fumes from internal combustion engines, welding machines, paint spray booths, can be handled if Trade Center officials know well in advance to make necessary arrangements. This also applies to equipment requiring compressed air, industrial gases, steam or hot water.

Market rapidly expanding

Production of passengers cars in Italy has almost doubled in the past 3 years, while the production rate of trucks and buses more than doubled in the same period. In 1962 alone, imports of new vehicles tripled to 95,000 units. New vehicle registrations increased from 284,600 in 1959 to 704,000 in 1962.

Italy provides the fifth largest market for U.S. exports. The U.S. is Italy's second largest source of foreign goods, accounting for $881 million, of 14.5% of Italy's imports in 1962. In the last 3 years, the Italian economy has grown considerably—demonstrated by a 22% gain in gross national product in that time.

The U.S. automotive service and maintenance equipment which has the best market potential in Italy includes:

Engine testing equipment (test stands, fuel pump testers, compression gauges), ignition testing and adjustment equipment, electrical system analyzers and test equipment, hydraulic equipment and jacks (impact tools), brake testing and service equipment and lining material, steam cleaning equipment, special function power tools (electric welders, brake drum lathes), wheel balancing and aligning equipment, clearners, polishers, automotive chemicals, and specialized equipment for trucks and buses, including diesel engine maintenance.

Photographic show at Tokyo Center is 'well launched'

194 visitors register during first day; 23 firms exhibiting

A heavy rainfall drenched Tokyo Oct. 1 but the Photography in Science, Industry and Education Show at the U.S. Trade Center there got off to a good start.

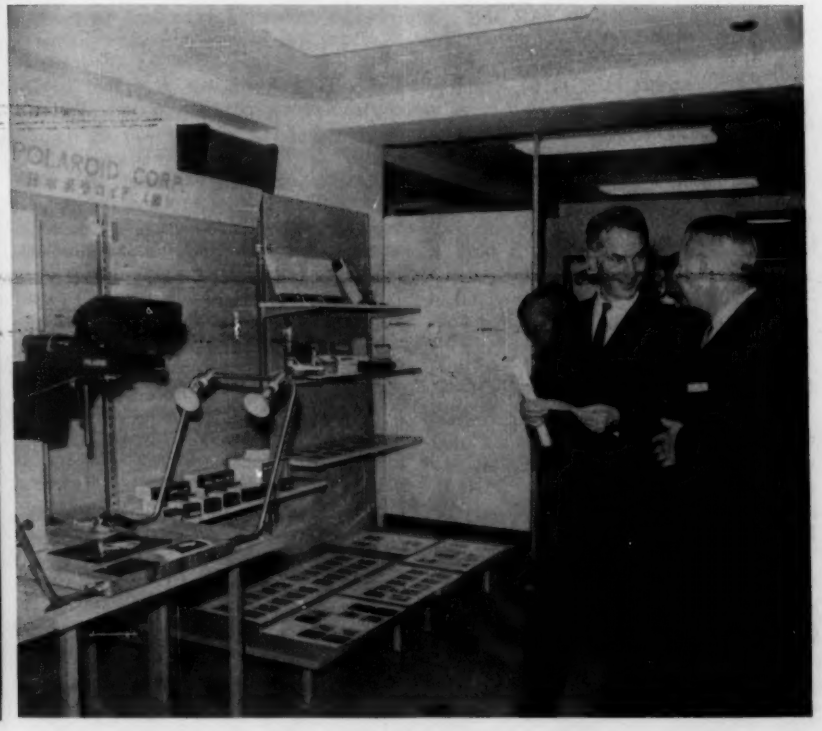
A total of 194 visitors registered on the first day the show was open to the trade. The 23 participating U.S. firms, representing the products of 33 U.S. manufacturers, reported that excellent initial contacts were made and that the show was "well launched."

The show, officially opened Sept. 30, is scheduled to end Oct. 18.

Kazuo Tajima, chairman of the Japan Photographic Industry Association and president of Minolta Camera Co., called photography "a universal language," adding that it is "also a common hobby shared by all peoples of the world." He said it is "indeed timely and significant that the U.S. Trade Center has collected in one place the most advanced photographic equipment produced by 33 principal U.S. manufacturers to give the Japanese people concerned an opportunity to see these efficient products from the U.S."

U.S. Photo Equipment show in Tokyo

The U.S. Ambassador to Japan Edwin O. Reischauer and the chairman of the Japan Photographic Industries Association Mr. Kazuo Tajima assisted William C. Babbitt, managing director of the National Association of the Photographic Manufacturers of the U.S. in the opening ceremonies at the U.S. Department of Commerce sponsored "Photography in Industry, Science and Education Exhibition" recently at the U.S. Trade Center.



Six companies in 3 states help to increase U.S. exports, receive President's 'E' award

Four firms in Massachusetts, one each in Cleveland, N.Y. honored in ceremonies; winners total over 340

Six firms have been added to the steadily growing list of "E-for-Export" award winners.

Ceremonies were held at the end of September in Cleveland, Boston, and Washington, D.C., honoring the companies.

Thompson Ramo Wooldridge, Inc., of Cleveland was honored Sept. 27 at a luncheon before members of the National Association of Business Economists in the Sheraton-Cleveland Hotel.

John H. Royer, Deputy to Under Secretary of Commerce Franklin D. Roosevelt Jr., presented the award to Edward P. Riley, vice president of the company's automotive group.

World is its market

The citation states in part that the "company which once considered the United States its prime market . . . developed its export sales in 67 countries to such a sustaining level that it came to view the world as its market." The company produces aircraft components, electronic products and replacement parts.

The four Massachusetts firms received their awards in a Sept. 30 ceremony at the Sheraton-Plaza Hotel in Boston. It took place before members of the Smaller Business Association of New England at a luncheon during its 25th annual conference.

Enter overseas markets

Edward G. Bursk, member of the National Export Expansion Council and vice-president for management, American Marketing Association of Boston, presented the awards to officials of the following firms:

Fenwal Inc. of Ashland, Dr. Carl W. Walter, president: cited as an example of a small company which has successfully entered overseas markets.

Polaroid Corp. of Cambridge, Dr. Edward H. Land, president: cited for developing special programs which enabled the company to introduce its products successfully into almost a hundred competitive markets overseas.

The Pullman Vacuum Co. of Boston, Robert Berns, president: for "developing market areas in Southeast Asia through the U.S. Trade Center in Bankkok and opening up Latin America with selected distributorship," enabling the company to establish its products internationally within a few years.

Simonds Saw and Steel Co. of Fitchberg, Clifford K. Simonds Jr., president: by developing "a well-rounded and intensive export promotion program based on quality of products and services to customers," the company developed export sales successfully around the world.

Secretary of Commerce Luther H. Hodges presented an award to General Aniline and Film Corp. at a Sept. 30 ceremony in his office in Washington, D.C. The award was accepted by Dr. Jesse Werner, corporation president.

Wide field of products

General Aniline's executive offices are in New York City. It has plants and laboratories in Alabama, California, Kentucky, Michigan, New Jersey, New York and Pennsylvania. The company manufactures photographic materials and equipment, office and engineerig reproduction equipment, and dyestuffs and chemicals.

The company won the award because it "successfully met intense overseas competition with a wide field of products to increase export sales to 7% of all production."

Each of the six firms received a blue and gold citation signed in the name of President Kennedy by Secretary Hodges. In addtiion, they received "E" lapel pins and blue and white pennants to fly over their plants.

Over 340 companies have received the "E" award since the program was begun in March 1962.

Mexican movies hit by rising costs, low admission prices

Major Latin American markets are disappearing; labor troubles hurt

The Mexican motion picture industry, which started to decline in 1960 and 1961, continued the downward trend in 1962, according to the Commerce Department's Business and Defense Services Administration.

The 1962 decline was marked by the failure of 2 major studios and the merger of 2 others. The primary cause of the decline seems to be the chronic imbalance between the cost of producing a film and its earning power at the boxoffice. While production costs have increased steadily, admission prices have remained at 4 pesos (32 cents) or less. An exception is made in 1 theater that offers 70-mm. films where the admission price is 8 pesos (64 cents).

Official sources report that 56 feature pictures were produced in 1962. Film production for the first half of 1963 indicates a further decline as only 22 films were completed during this period. The average cost of production was about 1.1 million pesos (about $88,000).

Producers have not only been handicapped by low admission prices, but they have also been forced to deal with labor unions which insist on periodic wage increases and the retention of more workers than the industry says it requires. These problems are reflected in the quality of the films being produced.

Officials in the industry claim that another important reason for the decline may be traced to setbacks in Mexico's 2 foremost Latin American markets, Cuba and Venezuela. The Cuban market has disappeared and Mexican film earnings in Venezuela have been greatly reduced.

Movie attendance continued to taper off during 1962. Although statistics for the nation are not available, those of the Federal District provide a reliable guide to the trend. Attendance in the Federal District's 127 movie theaters fell to 77.3 million in 1962 from a 1961 figure of 80.5 million.

Exact statistics on the number of films exhibited in Mexico are not available, but it is reported that 427 feature films were shown in the Federal District in 1962, of which 204 were of U.S. origin.

Vienna firm, owners lose export rights

PI-MO K. Pirker & Co., Vienna, Austria, and Karl Pirker and Mrs. Elfriede Mondschein, the principal officials of the firm, have been denied all U.S. export privileges for failing to provide information concerning their purchase and disposition of U.S. electronics equipment. The Bureau of International Commerce's denial order became effective October 9, 1963.

The Bureau said that its Investigations Division sent the Austrian firm a written questionnaire asking for pertinent details concerning its purchase and disposition of certain U.S. electronics equipment. The inquiry primarily covered 5 shipments exported from the U.S. to Pirker in 1962, and a contemplated purchase in 1963. The Bureau's investigation into these transactions led it to believe that Pirker was working with other Austrian parties suspected of illegally diverting U.S. goods to Soviet bloc destinations.

The Bureau said its denial order was issued to prevent Mr. Pirker and Mrs. Mondschein from obtaining other U.S. goods so long as they refuse to account for their prior transactions. It will remain in effect until they furnish the requested information.

The order prohibits Mr. Pirker and Mrs. Mondschein, their company, and all other persons and firms related to them from ordering, buying, receiving, or disposing of any U.S. commodities, and from otherwise participating directly or indirectly in any transactions involving U.S. commodities or technical data. It further states that no other person or firm may deal with them or on their behalf in any such transactions; to do so would subject such parties to a separate denial of U.S. export privileges.

Tariff Commission surveys ceramic mosaic tile imports

Upon petition on behalf of workers at the Winburn Tile Manufacturing Company in Little Rock, Arkansas, the U.S. Tariff Commission has instituted an investigation to determine whether, as a result in major part of concessions granted under trade agreements, ceramic mosaic tiles like or directly competitive with articles produced by Winburn Tile are being imported into the U.S. in such increased quantities as to cause the unemployment of a significant number of these workers. Petitioners do not desire a public hearing in connection with the investigation.

The tiles to which the petition relate are presently provided for in item 532.21 of the Tariff Schedules of the U.S.

The petition filed in this case is available for inspection at the office of the Secretary, U.S. Tariff Commission, 8th and "E" Streets, NW., Washington, D.C., and at the New York City office of the Tariff Commission located in Room 437 of the Customhouse.

Largest Cooley loan goes to Indian fertilizer plant

2 U.S. firms will have 47% equity share in company

A loan of $17.5 million in Indian rupee currency has been authorized by the Agency for International Development to help finance construction of a $68 million fertilizer plant in India.

The loan, largest under the so-called Cooley loan program of AID, will be extended to Coromandel Fertilizers Limited, an Indian company being formed by 2 U.S. firms, the California Chemical Company, a wholly owned subsidiary of Standard Oil Company of California, and the International Minerals and Chemicals Corporation of Illinois, as well as Indian interests.

The Export-Import Bank will lend $27 million to Coromandel for the project, which with the AID loan will comprise the largest private financing of any type in India to date.

The fertilizer plant will be located at Vizakhapatnam, a deep water port between Madras and Calcutta on India's east coast.

The key management and supervision will be provided by the 2 U.S. firms, who will have a 47% equity share of the Indian fertilizer company. E. I. D.-Parry, Ltd., an Indian fertilizer distributor which has a minority interest in Coromandel will act as sales agent and distributor. Shares in the firm will be sold to the Indian public.

AID okays 9th Thai investment survey

3-man team will study prospects for $1 million castor oil plant

A $1 million plant to extract oil and fertilizer from the castor bean may be built in Thailand if the results of an investment survey prove sufficiently attractive. The survey is being sponsored by a group of New York businessmen. AID has guaranteed payment of half the cost of the study if the group decides against the investment.

The 3-man survey team will also be principals in a new company which would build the plant. They anticipate that local Thai interests would be included in a projected investment of between $800,000 and $1 million, of which $500,000 would represent fixed assets.

In announcing approval of the survey, Seymour J. Janow, AID Regional Administrator for the Far East, noted that Thailand has attracted particular interest on the part of U.S. investors. "Since the signing of the Act for International Development creating AID," Mr. Janow said, "we have approved 9 private-investment survey grants involving Thailand out of a total of 14 for the Far East as a whole."

The study seeks to determine the feasibility of a plant in Thailand established to produce castor oil for export and castor pomace fertilizer for both domestic and export sales.

Cost of the survey has been budgeted at $12,900. AID's share of $6,450 will be paid only if the investors do not go through with the project. In that case, results of the survey become the property of AID.

Alliance helps U.S. firm survey Rio poultry venture

The possibility of establishing a modern poultry industry in Brazil under the Alliance for Progress will be surveyed by California investors. The survey is part of an Agency for International Development program to stimulate private enterprise participation in less developed countries.

Singapore cites 33 'pioneer' projects

Singapore has granted pioneer status to 33 new industrial projects, entitling them to tax exemption for up to 5 years.

In initial stages, the projects are expected to provide 3,887 jobs and 7,400 after expansion, according to the Finance Minister. He also said that the advent of Malaysia and the Common Market Agreement had acted as catalysts for industrial development, and that as many pioneer certificates were issued during the last 3 months as were issued in the previous 3 years. The total number of pioneer certificates issued by the Singapore Government is now 75. On "Malaysia Day," September 16, issuance of these certificates was centralized in the Malaysian Government.

Covered industries

Projects granted pioneer certificates include the proposed refining plant of Mobil Refining Co., an American firm. The list also includes light consumer industries such as condensed milk and wearing apparel, and medium-scale industries such as steel tubing and plywood. Basic industries include a cement plant and the Mobil Refinery.

A complete list of Malayan and Singapore pioneer industry projects may be obtained by writing to the Bureau of International Commerce, Office of International Regional Economics, Department of Commerce, Washington, D. C., 20230.

Finland schedules '64 EFTA tariff slashes

A new 10% tariff cut on industrial and certain other goods entering Finland from other EFTA (European Free Trade Association) countries will become effective May 1, 1964, according to an EFTA Council announcement from Helsinki. This move will bring Finland's total preferential reduction on goods from EFTA countries to 60% on the established rates of duty.

Finland's action comes in the wake of similar moves four months earlier by fellow EFTA members. On Jan. 1, 1964, Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom are scheduled to bring their preferential reduction on goods from EFTA countries to 60% on the established rates of duty.

The current EFTA timetable calls for complete removal of tariffs on industrial goods between members by the end of 1966. As an associate member of EFTA, however, Finland has been granted an additional year in which to complete the tariff-cutting process. This means that by the end of 1967 industrial and certain other goods are expected to enter Finland from the other EFTA members free of duty.

Further information on articles appearing in this department, and on current foreign government trade and investment regulations, is available from the Bureau of International Commerce, Office of International Regional Economics, Department of Commerce, Washington, D.C., 20230, or as indicated in individual stories.

Aerial insect spraying subject to Guatemalan fee

A 1¢-per-gallon fee is being charged by Guatemala for the application of insecticides by foreign pilots, effective from September 13, the U.S. Embassy in Guatemala City reports.

Insecticides are used primarily on cotton, which is fumigated for a 3-month period each year. Fees must be deducted by those contracting or utilizing the services of foreign pilots from the remunerations, salaries, or other compensations paid for their services, for remittance to the General Tax Office.

Foreign pilots must submit to the General Tax Office monthly a sworn declaration on the volume of the products used in fumigations during the preceding month.

Singapore lifts controls on variety of imports

Singapore has announced exemption of certain items from specific licensing or quantitative controls, including: cotton wool and other surgical dressings, sanitary towels, sanitary napkins and napkins for babies, talcum powder and rubber shoes (footwear with outer soles of rubber and uppers of textile material).

Controls have also been lifted on torchlight and transistor-radio batteries and radio-pact batteries, and monosodium glutamate imported from the Federation of Malaya.

South Africa continues import-control easing

South Africa has announced a relaxation of import controls, amounting to an additional 15% allocation for Category "A" goods, and 5% for Category "B" goods.

Category "A" goods are those regarded as the more essential consumer goods. Category "B" embraces non-essential or luxury items.

The action brings total 1963 permit allocations for both categories to 25% above total 1962 allocations.

The increases were the result of South Africa's continuing favorable reserve position, as well as the increased demand for consumer goods normally anticipated for the Christmas season.

OIRE precis available on Mauritania 4-year plan

Details of Mauritania's 4-Year Economic and Social Development Plan, 1963-1966—enacted July 13, 1963—are available from the Bureau of International Commerce, Office of International Regional Economics, Department of Commerce, Washington, D.C., 20230.

The Plan sets the pattern of Government development efforts as well as the role of foreign private and public capital. It calls for an expenditure of some $112 million—$55 million in the public sector and $57 million in the private sector, financed by $45 million in foreign public funds, $52 million in private financing, $10 million in internal public funds, and $5 million in internal private money.

UAR-RUMANIA AGREEMENT

A new United Arab Republic-Rumanian trade and payments agreement replacing the 1956 pact has been ratified by the UAR.

Commodities to be exported from the UAR to Rumania include cotton, rice, textiles, citrus fruits, and peanuts. Rumania will ship timber, oil, machinery, and spare parts to the UAR. The agreement will run until 1965.

Honduras invokes termination right in tax convention

Termination and renegotiation are slated for the U.S.-Honduran double-taxation (of income) convention (FOREIGN COMMERCE WEEKLY, July 16, 1956, p. 24), the U.S. Embassy in Tegucigalpa reports.

Honduras' formal notification to the United States sets Jan. 1, 1964 as the effective termination date, to be followed by renegotiation.

Honduras took the step because of differences in interpretation of the requirement that the U.S. Government collect certain delinquent taxes allegedly owed to Honduras by American citizens. Honduras' Finance Ministry and the U.S. Treasury Department have discussed, but not yet resolved, these differences.

The convention, in force since Jan. 1, 1957, is the only one of its kind between the United States and a Latin American country. Formal negotiations for such income-tax conventions have been held with Chile, Colombia, Mexico, Peru, and Uruguay, and exploratory discussions have been held with Argentina, Brazil, Costa Rica, Haiti, Paraguay, El Salvador, and Venezuela.

West Germany opens up frozen beef-liver quotas

West Germany's Foreign Trade Agency on Sept. 13, 1963 announced a quota for imports of frozen beef livers from the U. S. and Canada, the U.S. Embassy in Bonn reports.

Import licenses will be valid for 60 days, but no license will be valid after Mar. 31, 1964. (It is expected that on or about Apr. 1, 1964, the European Economic Community market regulation for beef will become effective).

First applications for licenses are limited to a quota of not more than DM50,000 ($12,500). If a firm has imported its quota or if its license has expired, the firm may apply for a new license of up to an additional DM50,000. In all cases, the requirements of the Meat Inspection Law and of the Food Law must be met.

West Germany opens up canned-cherry quotas

West Germany has established a quota of unannounced size for imports from the United States and Canada of canned cherries in containers of a content weighing less than 5 kilograms.

License applications may be submitted until the exhaustion of the unpublished value limit, but not later than Mar. 29, 1964, the U.S. Embassy in Bonn reports. Licenses are good until Mar. 31, 1964.

Only those who received licenses under the previous quota may apply for licenses now. The value of a license may not exceed 150% of the total amount granted to individual importers under the previous quota.

Venezuela decree covers textiles, tools, others

Venezuelan tariff duties were increased as of Sept. 3, 1963 on specific fabrics of cotton, linen, and artificial fibers, and on lead and its alloys. Under the same decree, prior-import licenses are now required for picks, spades, rakes, and machetes (although their duty-free status remains in effect) and on metal sinks.

Tariff duties were lowered and import licensing restrictions were removed on whiskies including scotch, rye, and bourbon in an effort to expand legal importation of these items and diminish contraband activity.

Ghana's importers must meet new requirement

Ghanaian importers applying for foreign exchange must cite manufacturers' as well as suppliers' invoices where the suppliers are not the manufacturers of the goods imported.

The new regulation (*Ghana Commercial and Industrial Bulletin*, September 6) is effective from Oct. 1, 1963, and exempts newspapers, periodicals, second-hand clothing, and other products.

Foreign Contract Awards

Described below are recent contract awards for construction work and supply of equipment, materials and services. Although most of the work will be performed by the contracting parties, additional firms may be called upon to furnish assistance or services.

Supplemental information may be obtained on items designated by a star (★) from the Trade Opportunities Staff, Business and Defense Services Administration, Department of Commerce, Washington, D.C. 20230.

AUSTRALIA—Control Data Corporation, Minneapolis, Minn., reportedly wins $5 million contract for delivering, installing, and commissioning **electronic data-processing unit** at Commonwealth Bureau of Census and Statistics, Canberra, A.C.T.

BURMA—New York City-based firm, M. Lowenstein & Sons, Inc., 1430 Broadway, awarded two contracts, each valued at some $21,000, for supplying Rock Hill Q, No. 330 Cotton Printed Sheeting and dyed & printed **cotton sheeting.**

GREECE—Central Air Staff announces award of contract for **constructing civil engineering facilities** for NATO missile-firing installations (NAMFI) to joint venture made up of local firms, "Odon & Odostromaton," "Skapaneus," and "Xekte."

Ministry of Commerce tender committee awards contract reportedly worth $31,000 to Plastic Master Corporation for procuring 6,300 spools of **embodying plastic materials** and 5 sets of **parts and accessories.**

HONG KONG—Colonial Secretariat Tender Board announces series of contract awards, including one for constructing **Tau Pass Culvert and Intakes,** valued at $1,018,180.★

IRAN—Motorola Corporation, Chicago, Ill., awarded contract by Army Signal Department **to supply two transmitting and receiving apparatuses.**

Ports and Navigation Organization, Tehran, awards contract to Harmischfeger Corporation, Milwaukee, Wis., **for supplying one truck rotating crane.**

PHILIPPINES—Motorola, Inc., awarded $21,000 contract for furnishing and delivering **VHF/FM Mobile radio equipment.**

SOUTH AFRICA—Contract for **new tanker harbor** to be built by 1965 inside Cape Town's Duncan Dock awarded to Christiani & Nielson (S.A.) Ltd., in association with Hollandse Aanneming Maatskappy and African Batignolles Construction, Ltd., all of South Africa. Work to cost nearly $14 million.

Jet aircraft fueling facility proposed by Greek Government

Successful bidder would develop and operate new facility at Athens Airport; project value estimated at $1.5 million

Development and operation of a jet aircraft fueling facility in Greece is open to interested U.S. firms. The Civil Aviation Service of the Greek Ministry of Communications invites offers from firms interested in bidding on a tender for appointment as concessionnaire of the facility.

The two phases of the contract would include: (a) An engineering study and construction of a facility for the fueling of jet-propelled aircraft at the Athens Airport, and (b) the operation, maintenance and commercial exploitation of this fueling facility. Documents in English will not be available. Among the terms and conditions contained in the Greek-language documents are:

- 1. Deadline date for submission of offers is October 24.
- 2. Offers should specify the date on which the engineering study and construction of the fueling facility would be completed. This date should be as soon as possible.
- 3. Offers should contain a calculation of the cost of the whole project and the manner in which the project will be depreciated. The Civil Aviation Service estimates the value of the project at roughly $1.5 million.
- 4. Bidders must state in their offers the selling charge per gallon of fuel which they plan to make. For each gallon of fuel sold, payment to the Greek Government will be 15 lepta ($0.005).
- 5. Offers must be accompanied by a participation guarantee of 1 million drachmas ($33,333) which will be returned when the contract is signed. The firm awarded the contract will deposit a performance guarantee of 2,250,000 drachmas ($75,000) which will be retained throughout the duration of the contract.
- 6. The contract to be signed with the concessionnaire will be valid for a period of 20 years and may be extended for an additional period not to exceed 10 years.
- 7. Within six months from the signing of the contract, the concessionnaire must set up a Greek corporation with a minimum capital stock of 2 million drachmas ($66,666), divided into 1,000 shares, to be paid up within 6 months from the establishment of the corporation. The rights and obligations of the concessionnaire will be transferred to this corporation and two thirds of the board members must be Greek.

Sets of tender documents in Greek and one set of diagrams for the proposed facility have been forwarded by the Greek Civil Aviation Service. Firms interested in obtaining a set of the documents on loan and wishing to examine the diagram in Washington should write at once to Bureau of International Commerce, Office of International Investment, File 4-1511-1(B), Department of Commerce, Washington, D.C. 20230.

Tubular utility pole output open to U.S. firms

German concern offers license for sturdy, lightweight units

A German firm offers a license for the manufacture of tubular, lightweight poles which are used primarily for street lighting, utility lines and overhead railway lines.

The poles are designed to withstand the most rigorous conditions yet are easily and quickly assembled and erected. The elements are telescoped for transport purposes, forming a bundle not exceeding 10 feet in length. The pole sections are pretreated and need not be further treated.

In Europe, the poles are in use for lighting, low-tension and high-tension power lines, railway lines, flag poles, telephone lines, stadium lighting, heavy industrial plant lighting and transmitting and receiving aerials.

Additional information may be obtained on a loan basis from the Bureau of International Commerce, Office of International Investment, Department of Commerce, Washington, D.C. 20230. Refer to File 1168.

Capital needed to start ice cream plant in Iraq

A prominent Kurdish family seeks U.S. participation in a joint venture for the production of ice cream. A fully automatic plant for producing and packaging ice cream made from local pasteurized milk and imported flavor powders is contemplated.

In order to obtain the advantages of Iraq's industrial development law, U.S. capital participation should not exceed 40%.

Write to Mr. Nemir A. Kirdar, P.O. Box No. 3, Baghdad, Iraq.

Dye plant urged for Taiwan, good domestic market seen

The Industrial Development and Investment Center (IDIC), a Chinese government agency, strongly urges the establishment of a dye industry in Taiwan.

A pre-investment proposal recently completed by IDIC indicates that all quality dyes are imported. In 1961, for example, imports of dyes were valued at $1.33 million.

Total U.S. investment required for the establishment of a dye industry is estimated at $100-150,000, exclusive of working capital. IDIC, which believes it can locate a suitable local partner, recommends that U.S. investors seriously consider an investment survey for a dye-producing facility for Taiwan.

Copies of the pre-investment survey may be requested by interested firms from the Bureau of International Commerce, Office of International Investment, File 3-2861-1 (B), U.S. Department of Commerce, Washington, D.C. 20230.

Nigerian firm wants help in food-processing field

A recently established firm which plans to process foods is seeking U.S. capital and technical know-how in this field. The Nigerian firm is particularly interested in producing items such as yam and potato

chips, corn flakes, roasted peanuts, cocoa, ice cream and baked goods.

Total planned capitalization is estimated at $336,000. U.S. investors will be expected to provide 30% of this amount. The Nigerian firm has already acquired 1,920 acres of farmland which will be used to grow various fruits and vegetables.

Additional details may be obtained from Bureau of International Commerce, Office of International Investment, File 1-2000-1 (G), Department of Commerce, Washington, D.C. 20230.

Colombians ask U.S. assistance for 2 projects

Palm oil industry, fruit juice plant require equipment, technical aid and capital

Two Colombian groups are looking for technical assistance, equipment or capital from U.S. firms to further a palm oil industry and a fruit-juice processing plant.

For further information about these projects, described below, write to Bureau of International Commerce, Office of International Investment, File 2-2000-1 (B), Department of Commerce, Washington, D.C. 20230.

- An established financial firm in Colombia is seeking U.S. technical assistance and equipment to establish a plant to produce fruit juices and concentrates on a joint-venture basis.

- In collaboration with the Colombian Government, two prominent businessmen in that country are developing African palm as a domestic source of oil. Seven hundred acres of African palm have already been planted with assistance from the Colombian National Cotton Institute (INA).

With capital and technical assistance from U.S. investors, the businessmen hope to buy out INA, expand plantings to 1,250 acres and establish oil-extraction facilities. The successful development of African palm oil as a domestic source of oil would reduce the millions of dollars now spent for imported oil.

Wood bottle case manufacture proposed

Central American group plans factory, good area demand and capital return seen, joint-venture arrangement possible

A Central American industrial development organization is seeking U.S. capital to establish a plant for the manufacture of wooden bottle cases for the beverage industry.

Domestic demand is placed at 300,000 cases a year while demand from other Central American countries is estimated at 600,000 cases. At the present time, most domestic bottlers make their cases at a cost of $0.80 per case.

According to the industrial development organization, total investment on the part of U.S. interests would amount to $160,000.

A local entrepreneur, said to be well versed in the business, is willing to establish such a plant on a joint-venture basis. It is estimated that the factory could earn as much as 30% of invested capital in its first year of operation. The factory would have no local competition.

For further details, write Bureau of International Commerce, Office of International Investment, File 2-2441-1, IRD (B), Department of Commerce, Washington, D.C. 20230.

Greek investment, industry development data cited

A concise, informative pamphlet on investment inducements in Greece has been compiled by the Industrial Development Corporation of Greece (IDC) in collaboration with the U.S. Embassy in Athens.

Titled *Greece: Basic Incentives to Industrial Development and Foreign Investment*, the 18-page pamphlet covers such matters as protection of foreign investment capital, special tax accommodations, credit accommodations to trade and industry, and additional stimuli to industrial development.

To obtain a copy, write to Bureau of International Commerce, Office of International Investment, Department of Commerce, Washington, D.C. 20230, and request the Greek investment pamphlet.

Know-how, capital sought for Europe

Licensing, joint venture, cross licensing and investment arrangements with U.S. companies are sought by a number of European firms for various industry and consumer products.

Advertising, gift articles

Germany. Producer of sterling and plated silverware seeks a cross-licensing arrangement to make gift and advertising articles such as smoking accessories, table accessories and automobile accessories. In return, the firm offers its line of coffee pots, teapots, sugar and creamers, warmers, shakers, smoking sets, candelabra and salad bowls. Gebrueder Kuehn, Silber und Metallwarenfabrik, P.O. Box 175, 707 Schwaebisch Gmuend.

Concrete products

Germany. Manufacturer of tar products, protective coatings and paints seeks license to produce newly developed packing material for concrete pipe. F. Schacht K.G., Chemische Fabrik, Bultenweg 48, Braunschweig.

Luxembourg. Concrete products manufacturer desires license to make prefabricated houses of preformed, reinforced or prestressed concrete such as lightweight precast panels and other products. S.A. des Chaux de Contern, 22 bd Royal, Luxembourg.

Industrial machinery

England. Producer of compressors and steam turbines offers its facilities to manufacture a wide range of industrial machinery under license. Peter Brotherhood, Ltd., Peterborough.

Germany. Producer of heavy machinery, cranes and prefabricated steel shapes for construction industry seeks license to make related products. STAHLBAU Suessen GmbH, 8-12 Lauterstrasse, 7334 Suessen/Wuertt.

Netherlands. Producer of special hand tools for aircraft industry and hand-operated lathes for technical schools and industry offers a joint-venture arrangement to manufacture hydraulic equipment, universal spiral dividing heads for milling machines, tap heads, rotary tables for lathes and educational equipment for technical schools. G. G. Larsen, 63 Nijverheidswerf, Bussum.

Textiles

Germany. Producer of printed and dyed cloth and decorating materials, who also operates a modern wool finishing plant, offers participation in firm to an investor of $200,000. Funds are to be used for plant expansion. Hugo Nagel, Altendorfer Tor 23, 3352 Einbeck.

Tenders invited by U.A.R. Government for largest land reclamation project

The Egyptian General Organization of Land Development, United Arab Republic, invites tenders for the reclamation and rehabilitation of approx. 312,000 feddans (about 324,000 acres) of land located south of Port Said and the Salhia Desert.

This is the largest project yet announced by the U.A.R. Unofficial estimates place the cost between US$200,000,000 and $250,000,000, but information regarding the method by which the project will be financed is not available.

The project calls for the construction of main canals, drains, pumping stations and related construction work; land levelling; execution of housing program; public utilities and construction of roads.

The tender documents consist of:

(a) Contract and Specifications requiring the following:

→ Supplementation of the studies and research data and preparation of the projects documentation;

→ Public works including construction of irrigation canals and drains, major and minor, complete with enstructional works; irrigation and drainage pumping stations; main electrical power networks complete with supplementaries and auxiliaries. The construction of a protective dyke along the northern side and part of the western side to protect the area from the flowing water of the swamp.

→ Reclamation and rehabilitation works covering levelling and other earth works; farm construction works which include the irrigation and drainage and their related pumping stations. The construction of farm housing for project personnel and settlers and public utilities such as water, lighting, and a network of roads.

→ Leaching and treatment of the soil.

(b) Appendix 1—Three volumes of project drawings.

(c) Appendix 2—Technical specifications for:

→ Electric pumping stations for irrigation and drainage.

→ Primary distribution substations.

→ Overhead distribution network of primary and sub-transmission.

→ Secondary distribution substations and networks.

(d) Appendix 3—Technical specifications for the construction of a network of highways to connect the reclamation zones with the highways and roads in that part of the U.A.R., and to connect existing cities with new villages. The network will include first, second, and third class roads.

(e) Appendix 4—Technical data concerning the topography and climate of the project area including soil studies.

The tender specifies that the project be completed within five years according to the following schedule: (a) Studies and research work to be completed within first year; (b) the reclaimed area at the end of second year shall be not less than 50,000 feddans (51,900 acres); (c) total area of reclaimed land by the end of the third year shall be not less than 150,000 feddans (155,700 acres); (d) area reclaimed by end of the fourth year shall be not less than 250,000 feddans (258,500 acres); and (e) entire 312,000 feddans to be reclaimed by the end of the fifth year.

Closing date for tenders is January 14, 1964. Tenders must be prepared and submitted in accordance with prescribed instructions to the Egyptian General Organization for Land Development, the Land Reform Bldg., Dukki, Cairo, U.A.R.

A copy of the tender documents is available, for review only, in the Building Materials and Construction Industries Division, BDSA, Rm. 4002, Department of Commerce, Washington, D.C., 20230. (Telephone: 202-WO-7-3601).

Nigeria seeks quotations on various steel products

A Nigerian firm is seeking immediate quotations on steel products for use in connection with a construction project for the University of Lagos, Nigeria.

Products needed are mild steel reinforcement rods, sizes ¼"-1⅝", 10,004 cwt; steel mesh reinforcements, wgt. 3.54, 6.10 and 8.65 lb. per sq. yd., total 1,760 sq. yd.; steel fabric 4.71, 600 sq. yd.; galvanized mild steel tie ⅛" x 2", 12 ft. length bent, split, and fanged both ends, 3,779 pcs.; mild steel anchor bolts ¾" x 24" with 3" x 3" plates and nuts with washers other end, 600 pcs.; mild steel angles 1" x 1" x 3/16", 178 linear ft.; mild steel angles 1½" x 1½" x 3/16", 84 linear ft.; galvanized mild steel angles 1½" x 1½" x 3/16", 2,609 linear ft.; brass strips 3/16" x 1¼", 26 linear ft.; angles 5" x 5", 349 linear ft.; angles 8" x 8", 1,159 linear ft.

Quotations should be directed to International Supplies, Ltd., 16 Williams St., P.O. box 996, Lagos, Nigeria. Cable address, INTERSUP, Lagos. Business will be conducted on letter of credit basis.

Burma requests tenders on tiles, floor covering

The Civil Stores Committee of Burma is inviting bids for 200,000 (6" x 6" x ¾") and 800,000 (8" x 8" x ¾") ceramic glazed floor tile and 50,000 sq. yd. of floor covering p.v.c. of various sizes and designs.

The potential annual volume is estimated at over $10,000.

The bid deadline for this tender, No. PRV/11/CS (63-64), is October 24. Payments are to be made through the Burmese Embassy, Washington, D.C.

A copy of the specifications may be reviewed in the Building Materials and Construction Industries Division, BDSA, Rm. 4002, Department of Commerce, Washington, D.C., 20230.

Cyprus will construct power transmission lines

The Electricity Authority of Cyprus invites tenders for the supply, erection, and maintenance for 12 months of h.v. transmission lines.

The requirements are for a 40-mile 132 kv double circuit line on lattice steel towers and 56½ miles of 66 kv single circuit lines on galvanized steel supports or wood pole "h" structures.

A summary describing the extent of the work may be obtained from The Electricity Authority of Cyprus, P.O. box 449, Photiou Staurou Pitta, Nicosia, Cyprus, or Messrs. Preece, Cardew & Rider, 8/12 Queen Anne's Gate, Westminister, London, LW.1.

Tender documents may be obtained from the Electricity Authority of Cyprus at the above address upon making nonrefundable payment of £20 ($56) for a set of four documents.

The advertisement and a brief description of the contract work are available for review only in the office of the Building Materials and Construction Industries Division, BDSA, Rm. 4002, Department of Commerce, Washington, D.C., 20230. Tenders will be received by The Electricity Authority of Cyprus until December 12.

Maintenance machinery asked for Greek locomotives

The Ministry of Commerce, State Purchases Directorate "B", 50 Socratous St., Athens, Greece, invites bids on 2 vats for cleaning parts; 5 flaw detecting devices; 2 electric furnaces; 1 small electric motor; and 1 testing bench complete for the control of electrohydraulic governors.

Closing date for tender No. B/963/63 is November 5.

A copy of tender documents may be obtained from the Transportation Equipment Division, BDSA, Department of Commerec, Washington, D.C., 20230. (Telephone: 202-WO 7-4816).

Ceylon Port Commission wants harbor tugs

The Colombo Port Commission, Colombo, Ceylon, has called for bids on two harbor berthing tugs of about 110 ft. long, 700 tons, and about 1,750 hp.

Copies of specifications may be obtained from Embassy of Ceylon, 2148 Wyoming Ave., NW., Washington, D.C. for a fee of 25 Rupees ($5.25).

Bid closing date is November 27.

Survey launch needed

Ports and Navigation Organization, 333 Naderi Ave., Tehran, Iran, will purchase one hydrographic survey launch built of steel 26' 7" in length with 9' 7" beam equipped with a diesel engine for cruising at 9 knots.

Closing date for bids is December 15.

Specifications may be obtained from the Iranian Economic Mission, 1413 K St., NW., Washington, D.C. for $14.00 each.

Dredging materials needed for Argentina channels

The National Agency for the Construction of Port Facilities and Waterways, Government of Argentina, invites bids under public notice #3626 for the dredging and maintenance of the following navigational channels:

1) Navigational channel to Martin Garcia Island, from km. 37 of the River Plate to km. 109.5 of the access channel of the Parana Guazu River.

2) Navigational channel to the Port of La Plata, from km. 1,340 to the proximities of km. 7,742.

3) Channel of access to the Port of Buenos Aires from km. 37 to km. 9,850.

4) North channel from km. 9,850 to km. 0.

5) South channel from km. 8,200 to km. 0.

The official estimate for the project is 2,800,000,000 Argentine pesos (approx. US$19,000,000).

Copies of the conditions and specifications can be purchased from the Direccion Nacional de Construcciones, Portuarias y Vias Navegables, Direccion de Suministro, Avda. 9 de Julio 1925, Piso 9° Buenos Aires, Argentina, for 10,000 pesos (approx. US$69.00)

Closing date for tenders is 3 p.m., January 28, 1964. Correspondence in Spanish is preferred.

Tender in France open to U.S. bidders

A new tender with an estimated value of several thousand dollars has been opened to U.S. bidders by the Purchasing & Contracting Office, Supreme Headquarters Allied Powers in Europe, Paris, France.

ACE international invitation to bid No. 63-6, dated September 23, calls for the supply of one 10 cps. to 10 megacycles, eight digital, illuminated frequency counter with automatic decimal point positioner.

Bids should reach the Purchasing & Contracting Office, ACE-CEE, Communications & Electronics Division, Materiel Branch, Supreme Headquarters Allied Powers in Europe, Paris, France, not later than November 6.

Copies of this invitation to tender, containing further details, equipment specifications and instructions are available on loan from the Commodity Export Promotion Staff, BDSA-111, Rm. 4203, Department of Commerce, Washington, D.C., 20230.

Nigeria seeks equipment for Kainji Dam project

The Niger Dams Authority requests firms to submit the necessary information to qualify for bidding on electrical and mechanical equipment to be installed in the first stage of the Kainji Dam project.

Contracts to be awarded should approximate $2 to $3 million. Separate tenders to be called for will include: switchgear, 16/11 kv transformers, and protection equipment; 300 kv switchyard; 11 kv and 400 v. cabling and grounding system, lighting, communication and signalling; 200-ton power house crane and 10-ton workshop crane; mechanical plant, and lock gates.

The deadline for all qualification information is October 31.

All correspondence must be sent to each of the following addresses: The Secretary, Niger Dams Authority, Independence House, PMB, 12605, Lagos Nigeria; Belfour Beatty & Co., Ltd., Bow Bells House, Bread St., London, E.C. 4., England; Niger Dams Project, Joint Consultants Office, P.O. box 1288, Lagos, Nigeria; Nedico, Javastraat 48, The Hague, Holland.

The tender qualification announcement is available from the Power and Electrical Equipment Division, Rm. 4124, BDSA, Department of Commerce, Washington, D.C., 20230. (Telephone: 202-WO 7-4242).

Greece will purchase tractors, trailers

The Free Zone and Port of Thessaloniki Organization, Financial Services Directorate, Thessaloniki, Greece, offers a tender with a bid deadline of November 1, for the purchase of cranes, tractors and trailers.

The equipment required follows:

One mobile crane with about 20 tons capacity and camber about 15 meters in length; three mobile cranes with about 6 tons capacity and camber about 12 meters in length.

All four cranes should have wheels with rubber tires; six tractors, gasoline engine driven of about 40 h.p. on rubber tires for hauling trailers; ten trailers with load capacity of 6 tons each on rubber tired wheels with 2 axles.

A copy of the tender is available on a short-term loan basis to firms located in the U.S. from the GIEC Division, BDSA, Rm. 4022, Department of Commerce, Washington, D.C., 20230. (Telephone: 202-WO 7-5589).

Cameroon invites bids on chemical products

The Cameroon National Railway Government Agency has issued tenders for a supply of 1,350 mt. of creosote, 600 mt. of mixture oil and 150,000 liters of mixture creosote-mineral oil AW PA-P3 specification.

The closing date is October 25. Correspondence is preferred in French and should be addressed to Regie des Chemins de fer du Cameroon, B.P. No. 304, Douala.

One copy of the tender and an English translation is available for review by firms located in the U.S. in the Chemical and Rubber Division, BDSA, Rm. 4415, Department of Commerce, Washington, D.C., 20230. (Telephone: 202-WO 7-3464).

Bid deadline extended

The Iranian Tobacco Monopoly, Tehran, Iran, has extended the bid deadline for 200 mt. of zineb and 50 mt. of maneb fungicides from October 4, to November 1. (INTERNATIONAL COMMERCE, September 23, p. 40).

German firm seeks bids for central heating plant

Ing. H. J. Asendorf, a sales agency and consulting engineering firm located at Parkallee 10, Bremen, Germany, invites bids for a complete central heating plant consisting of two steel boilers equipped with water-cooled oscillating grates suitable for burning Ruhr nut coal, with a capacity of 6 million kcal/hr., and one boiler of the same type with a capacity of 3 million kcal/hr.

Approved minimum pressure is 6 atmospheres, exit temperature of heating water 110 degrees C., and return temperature 70 degrees C.

The plant must include exhaust gas purification equipment guaranteeing 98 percent purity, all fittings, insulation, platforms and stairs, forced draft under and above the grates, fully automatic boiler control and cinder removal.

Approximate dimensions of each boiler block are: length, 5,900 mm., breadth, 2,600 mm., height from stoker stand to boiler top, 6,700 mm. A separate estimate of the cost of installation is requested. Quotations should be on basis c.i.f. German seaport.

Australia will construct hydroelectric station

The Minister for Works of Australia announced recently that tenders would be invited by the Commonwealth Department of Works (Head Office—Yarra St., Hawthorn, Melbourne, P.O. box 2807AA) from Australian and overseas companies for the construction of an underground hydroelectric power station near Port Moresby.

Advertisements to this effect will be placed in newspapers and journals in Australia, the United Kingdom and the U.S.

The station is expected to be commissioned by the middle of 1967. It will have an initial capacity of 12,000 kw., later to be increased to 30,000 kw. Cost of the first stage of development is estimated at £2.5 million (approx. U.S. $5,700,000). A contract for the supply and installation of the generating equipment has already been let to a Sydney firm, Charles M. Terry, Pty., Ltd.

Greek State Railways seeks machine tools

The Ministry of Commerce, State Purchases Directorate "B," 50 Socratous St., Athens, Greece, invites bids for machine tools to equip a railway repair shop.

Equipment required is as follows: one car wheel lathe; two crankshaft grinders; one boring and honing machine for cylinder liners, one lathe for turning connecting rods; one surface grinder, one dynamic balancing machine.

Closing date for bids on this tender is October 25.

Copies of the tender may be obtained on a short-loan basis to firms located in the U.S. from the Metalworking Equipment Division, BDSA, Department of Commerce, Washington, D.C., 20230. (Telephone: 202-WO 7-5652).

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classifications. These numbers refer to the Standard Industrial Classification (SIC) Manual, which is available for $2.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Every effort is made to include only firms or individuals with a good reputation; the Department of Commerce, however, cannot be responsible for any resultant trade relations.

■ indicates tenders invited by foreign recipients under Agency for International Development (AID) loans and grants. A star (★) following indicates that additional information is available from the Trade Opportunities Staff, Business and Defense Services Administration (BDSA), Department of Commerce, Washington, D.C. 20230, Room 4319, Telephone: 202-WO 7-4675.

● indicates that the trade opportunity represents a request for bids by a foreign government agency. A (★) following indicates that additional information may be borrowed by U.S. firms in this country from BDSA; telephone numbers indicated. To avoid delay, requests for loan material should include country and commodity.

★★ indicates opportunities obtained by U.S. trade missions to other countries. A (★) following these indicates that additional information may be acquired by writing Commodity Export Promotion Staff, BDSA-111, Department of Commerce. NCIA following indicates no commercial information available.

WTD indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors, are available for $1 each from the Commercial Intelligence Division, Bureau of International Commerce (BIC), Department of Commerce, Rm. 1830 B. Telephone: WO 7-4203. The date following the letters WTD refers to the date of issuance of the report.

Leads for Exporters

Listed below are companies interested in buying U.S. products. Direct purchases are wanted unless otherwise indicated. Approximate foreign tariff rates and customs applicable to the products listed below may be obtained from the Department of Commerce or the Department of Commerce field offices.

200 Food

ENGLAND—Dehydrated food products. Direct purchase and agency. Demby, Hamilton and Co., Ltd., (importer), 5 Fenchurch St., London, EC.3. WTD 8/30/63.

201 Meat Products

FRANCE—Canned meats, de luxe quality; requests replies in French. Les Moutardiers de Champagne, (manufacturer), 17 Galerie Vivienne, Paris 2e.

203 Canning, Preserving Foods

BARBADOS—Canned fruits, vegetables. Anthony Brown & Co., (commission agent, manufacturer's representative), Plantations Bldg., Bridgetown. WTD 9/20/63.

ENGLAND—Canned fruits of all varieties. Direct purchase and agency. Koo International, Ltd., (manufacturer, sales agent), 36/37 Piccadilly, London, W.1. WTD 8/15/63.

FRANCE—Canned foods: salad dressings, specialties, de luxe quality. Requests replies in French. Les Moutardiers de Champagne, (manufacturer), 17 Galerie Vivienne, Paris 2e.

208 Beverage Industries

VENEZUELA—Bourbon, rye whiskies. Direct purchase and agency. Supermercado La Central C.A., (importing distributor), Apartado 4301 Este, Caracas. WTD 10/3/62.

209 Food Preparations

FRANCE—Soyabean and cotton seed oil cakes; soyabeans, vegetable oils. Direct purchase and agency. Les Fils d'Albert Weil, (importer, dealer, agent), 53 rue de Ponthieu, Paris 8e.

220 Textile Mill Products

GERMANY—Cotton elastic fabrics for swimming suits, foundation garments, wearing apparel; elastic fabrics made of synthetic yarns. Wilhelm Reutter, (manufacturer's representative), 714 Ludwigsburg, Richard-Wagner Strasse 7. WTD 4/23/62.

IRAQ—Broad woven fabrics, cotton, rayon, silk. Sami Hassan Allawi, (importer, wholesaler), United Bank of Iraq Bldg., Bank St., Baghdad. WTD 9/13/63.

221 Broad Woven Fabrics, Cotton

BARBADOS—Towels, Turkish and terry-woven. Anthony Brown & Co., (commission agent and manufacturer's representative), Plantations Bldg., Bridgetown. WTD 9/20/63.

ITALY—Nets for protection against hail and for darkening of green houses. Concioli, A.&C., (importing distributor), via Porpora 93, Milan. WTD 9/25/62.

222 Broad Woven Fabric, Man-made Fiber, Silk

BAHRAIN—Textiles of dacron and dacron blended with other fibers. Kewalram & Sons, (importer, wholesaler, retailer), P.O. box 84, Bahrain. WTD 3/24/63.

228 Yarn, Thread Mills, Products

GERMANY—Synthetic yarns such as polypropylene; synthetic continuous filament yarns and elastic yarns, cotton and synthetics; linen and ramie yarns; special worsted yarns such as camel hair, mohair, alpaca; Novelties of all kinds in the yarn manufacturing field. Wilhelm Reutter, (manufacturer's representative), 714 Ludwigsburg, Richard-Wagner Strasse 7. WTD 4/23/62.

229 Textile Goods

BARBADOS—Plastic tablecloths, sheeting. Anthony Brown & Co., (commission agent, manufacturer's representative), Plantations Bldg., Bridgetown. WTD 9/20/63.

● **VIETNAM**—Tussore, fiber content 44% cotton and 56% jute, quantity 85,800 meters. Tender No. 0992-14093, Bid deadline October 23. Central Purchasing Authority, P.O. box H-5, Saigon. Cable, MAIDICH Saigon.★ (Telephone: 202-WOrth 2-4294).

231 Men's, Youths', Boys' Suits

BARBADOS—Men's ready-to-wear suits. Anthony Brown & Co., (commission agent, manufacturer's representative), Plantations Bldg., Bridgetown, Barbados. WTD 9/20/63.

232 Men's, Youths' and Boys' Furnishings

BARBADOS—Men's and boys' bathing suits, sports clothing, trousers. Anthony Brown & Co., (commission agent, manufacturer's representative), Plantations Bldg., Bridgetown. WTD 9/20/63.

FRANCE—Men's sportswear: coats, jackets; requests replies in French. Societe des Productions Farnel Freres, (manufacturer), 57 rue Charlot, Paris 3e.

233 Women's, Misses', Juniors' Outerwear

BARBADOS—Women's and girls' dresses, skirts, beachwear; requests quotations in dozen lots. Anthony Brown & Co., (commission agent, manufacturer's representative), Plantations Bldg., Bridgetown. WTD 9/20/63.

FRANCE—Women's cocktail dresses, suits; requests replies in French. Ariane, (manufacturer), 61 rue du Fbg Poisonniere, Paris 9e. WTD 8/14/63.

JAPAN—Pleated skirts, dresses and suits, blouses, leather and imitation leather coats for misses. Direct purchase and agency. The Nissei Trading Co., Ltd., (importer), Tokiwa Bldg., 3 Nishisekiya-cho 2-chome, Naniwa Ku, Osaka.

NIGERIA—Medium to low-priced women's blouses; request quotation cif Lagos. A. Adeniji, (importer, wholesaler, retailer), 9 Reclamation Rd., P.O. box 253, Lagos. WTD 9/16/63.

234 Women's Misses', Children's, Infants' Underwear

BARBADOS—Children's nightwear, underwear. Anthony Brown & Co., (commission agent and manufacturer's representative), Plantations Bldg., Bridgetown. WTD 9/20/63.

Brassieres: inexpensive branded line. Requests quotations in dozen lots. Anthony Brown & Co., (commission agent, manufacturer's representative), Plantations Bldg., Bridgetown. WTD 9/20/63.

236 Girls', Children's, Infants' Outerwear

ENGLAND—Children's wear, particularly boys' and girls' shorts, slacks, jeans and anoraks. Direct purchase and agency. Nevill Miroy, Ltd., (importer, wholesaler), 5/6 Well Ct., Queen St., London, EC.4. WTD 2/13/63.

238 Apparel

BARBADOS—Belts, leather, other kinds. Anthony Brown & Co., (commission agent, manufacturer's representative), Plantations Bldg., Bridgetown. WTD 9/20/63.

239 Fabricated Textile Products

BARBADOS—Commission agent and manufacturers' representative interested in locating exporter of bedspreads, sheets, pillow cases, curtail material. Anthony Brown & Co., (commission agent, manufacturer's representative), Plantations Bldg., Bridgetown. WTD 9/20/63.

242 Sawmills, Planing Mills

AUSTRALIA—Hickory, for the manufacture of handles. Mr. Hyman Don, Don Industries, Ltd., 2 Salisbury St., N. Auburn, Sydney. WTD 3/15/63.

■ **GREECE**—Douglas fir, rough green, graded as per export "R" list, anti-stain treated, about 50,000 fbm; 2" x 4" x 2" x 12" or wider, allowing max. 15%, 2" x 4"/5"; lengths 8-20 ft. or longer. Fas. Loan No. 240-H-028. U.S. source. Quotation deadline October 26. Ch. G. Pastras & Co., Agion Assomaton 1, Athens. SBC-390.

251 Household Furniture

BARBADOS—Bedroom, kitchen furniture suitable for hotels. Anthony Brown & Co., (commission agent, manufacturer's representative), Plantations Bldg., Bridgetown. WTD 9/20/63.

261 Pulp Mills, Products

■ **MOROCCO**—Prime bleached pine sulfate pulp, very good bursting, tensile and tearing strength, interesting beating time, to be used mixed with eucalyptus pulp of Moroccan mill; prime bleached sulfite pulp, same, 200 mt. of each. Delivery time November/December. C&f Tangier. Cable quotations not acceptable. Quotations desired by October 28. PA#608-591-898-356-2222. Limited worldwide (898). Papelera de Tetuan, S.A., 576, Ave. Pasteur, Casablanca. Copy of quotations should be forwarded to US AID Mission, c/o American Embassy, Attn: Supply Advisor, Rabat and to Ministere du Commerce, Direction du Commerce, Rabat. SBC-393.

262 Paper Mills, Products

ENGLAND—Wrapping paper, boxboard. Direct purchase and agency. Bernett Paper, Ltd., (wholesaler, importer), Stationers Hall Bldgs., 34-40 Ludgate Hill, London, EC.4. WTD 1/10/63.

■ **GREECE**—Cigarette paper, 15,500 bobbins. Quotation date October 22. Loan No. 240-H-028. U.S. source. G. A. Keranis, "Ethnos" Tobacco Industry, 37-39, Athinon St., Piraeus. SBC-386.

● **IRAN**—Paper: 60gr/sqm., in bobbins, 332 mm. wide, 700 mm. o.d., 70 mm. i.d.; 250 tons white and 200 tons blue, suitable for sugar wrapping; quality and packing in accordance with specification. Deadline for sealed bids November 11. The Ministry of Finance, Sugar Administration, Teheran.★ (Telephone. 202-WOrth 7-3003).

● Packing paper: 9,000 kg., white, m.g., in quality and substance as sample, in rolls 400 mm. wide, 500 mm. o.d. and 25 mm. i.d., suitable for packing of dynamite. Deadline for sealed bids November 2. Edareh Taslihate Artech, DT/Section, Ave. Jale, Teheran. (Imperial Iranian Army).★ (Telephone: 202-WOrth 7-3003).

● **IRAQ**—Cigarette paper: 500 tons, 36 gr./sqm, in sheets 68 cm. x 100 cm., watermarked and filigrained. Quality and conditions in accordance with tender notice and specification. Bid deadline October 31. Directorate General, Tobacco Monopoly Administration, Baghdad.★ (Telephone: 202-WO 7-3003).

■ **VIETNAM**—White unglazed newsprint paper in reels, 200 m.t.; reel width 48", substance 52 grs./sq. m. Limited worldwide (901). Quotation deadline October 28. To Hop Bao Chi, 92-94 Gia Long, Saigon. Offers will be reviewed on c&f basis only. Fob and freight costs must be indicated separately. Freight 100% U.S. flag vessels. A copy of each offer should be sent to the Director General of Commerce, 59 Gia-Long, Saigon. SBC-390.

266 Building Paper, Building Board Mills

● **BURMA**—Roofing felt: 7,000 rolls, 2 ply x 3' x 72'; 3,000 rolls, 3 ply x 3' x 72'. Quality and conditions in accordance with tender notice and specification. Tender No. PRV/17/CS-(63-64), bid deadline October 24. Chairman, Civil Stores Committee (1), Rangoon.★ (Telephone: 202-WOrth 7-3003).

273 Books

FRANCE—Fine arts books; requests replies in French. Direct purchase and agency. Vincent, Freal & Cie Succ., (retailer), 4 rue des Beaux Arts, Paris 6e. WTD 9/10/63.

280 Chemicals

GERMANY—Aniline colors and dyestuffs for textile printing and dyeing plants; artificial chemical resins for hardening; other dressing materials for textiles; requests replies in German from manufacturers only with cif Rotterdam or fob factory price quotations. Muelforter Zeugdruckerei Und Faberberei Heinrich Breges, (textile bleaching, dyeing, printing, dressing plant), 407 Rheydt-Muelfort. WTD 9/14/62.

281 Industrial Chemicals

■ **CAMBODIA**—Polyethylene, monsanto or equal, 15,550 lb., in multiple paper bags of 50 lb.; Superlac or equal synthetic enamel, 6,005 liters, white, black, aircraft blue, green, canary yellow, golden yellow, signal, post office red, various c.i. numbers. PA No. 442-390-901-356-3206. Limited worldwide (901). Quotation deadline October 21. Mr. Ou Han Tchang, No. 21 (Ier etage) Khemarak Phoumin, Phnom Penh. SBC-390.

■ **GREECE**—Polyclar at powder, 2400 lb. Loan No. 240-H-028. U.S. source. Quotation deadline October 27. "Epa" S.A., 53 Syngron Ave., Athens. SBC-390.

■ Synthetic rubber, sbr, sbr oil extended, sbr black masterbatches, approx. 60 lt. Packing in bales. Cif Piraeus. Loan No. 240-H-028. U.S. source. Quotation deadline October 26. Etairia Paragogis Elastikon Ypodymaton—E.P.E., Amazonon and Kalypsous, Kallithea, Athinai. SBC-390.

■ **INDIA**—RT0130A, metal de-activator, 2,375 lb. Reference No. 51(29)/63-082-AID.III. Import license No. A 969150/62/AU-NS/CCI/B/62. Loan No. 386-H-082. U.S. source. Quotations desired by October 30. Esso Standard Refining Co., Of India, Ltd., P.O. box 355, Bombay 1. Quotations should be addressed to: F. Rowley, Esso International, Inc., P.O. box 1551, New York, N.Y. SBC-387.

■ Anti-knock compound, such as, tel anti-knocks, motor, tetraethyl lead, 61.48, ethylene dichloride, 18.81, ethylene dibromide, 17.86; solvent, anti-oxidant, inerts, 1.79, dye, 0.062, colour, 100.00 orange, 87 drums of 55 gal. each. Quotations should show value of each empty drum, which must be returnable. Reference No. 51(270)/63-AID.III. Import license No. A. 959822/62. Quotation date October 31. Loan No. 217. U.S. source. Assam Oil Co., Ltd., Digboi, P.O., Upper Assam. SBC-387.

■ **INDONESIA**—Rubber antioxidant: lithol red CS 485, pigment color for rubber, 4,490.64 kg., or 9900 lb. in fibre drums of 110 lb.; polysar SS-250 coplyner, butadiene hylthylene rubber in flakes synthetic, 51,960 lb., in asphalt luminated paper bag of 60 lb. net; lithopone, 207,750 kg., in paper lined jute in bags of 50 kilos net; rubber accelerator, captex, 2 mercapto benzothiazole, 9,400 lb. in 200 lb. drums; rubber accelerator, d.p.g., in drums of 150 lb. each, 9600 lb.; magnesium carbonate, 48,500 kg., in 3 ply kraft paper bags; carbon black, mpc, nicronex, 425,000 lb., in multiwall bags of 50 lb. net, in standard bead, m.c. namee clay, filler, natural, 34,400 lb., 50 lb. multiwall bags of 1.06 cu. ft. All the above are for invitation No. 497-216. Loan No. 497-K-013. U.S. source. Subject to special conditions, Bid deadline October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y. SBC-389.

● **IRAN**—Sodium nitrate, 99.5% degree of purity, 720,000 kg. Bid deadline December 17. Edarehe Taslihate Artech, (Armament Dept. of the Imperial Iranian Army), D/T Section, Jeleh Ave., Teheran.★ (Telephone. 202-Worth 7-2008).

■ **PAKISTAN**—Hydrogen peroxide, 50 tons, caustic soda, 200 tons, sodium acetate, sodium bicarbonate, barborate, sulphide solid, total 6 tons; manufex rs & f, 10 cwt., astol a, 1 ton, calgon's, 1 ton, setmol, 1 ton, lissapol, 5 tons, 30 items. Import license No. 345317. Dawood Cotton Mills, Ltd., Insurance House No. 2, Habib Sq., Bunder Rd., Karachi. Cable, DACOSPIN, Karachi.

■ Xylol, 5 tons, wetting, anti-skinning dispersing agents, 1 ton; zinc oxide, 25 tons; zinc sulphide, 50 tons; ultramarine blue, 25 tons; aluminium paste, 10 tons. IL#343480. Evershine Paints, (Eastern), Ltd., D/24, SITE., Manghopir Rd., Karachi 16.

■ CI acid brown, 2,000 lb., blue 2,000 lb., ci brown, 1-2 metal complex, 1000 lb., ci acid black 58, 2.000 lb., orange, 200 lb., red 217, 1000 lb., violet, 500 lb., yellow, 2000 lb., acid brown, 500 lb., acid black, both 1-2 metal complex 200 lb. IL#347338. Valika Woolen Mills Co., Ltd., Valika Chambers, S. Napier Rd., Karachi.

All the above are for loan No. 391-H-066. U.S. source. Quotations desired by November 1. SBC-392.

■ Color index No. 1101, 1104, PR503, PR969, 1105, 1152, 27905, vat green, violet, magenta, hydrone blue, vat blue, vat brown r, solar violet 2b, total 3600 lb. Import license No. 298689. Pakistan Commercial Co., Ltd., Enayet Bazar, Jubilee Rd., Chittagong Cable, PAKLICO, Chittagong.

■ Acid accylsalicylic b.p., acid ascrobic acid coated, citric and folic acid, 69 items. IL#236753. The Schazoo Laboratories, Ltd., Schazoo House, G.T. Rd., P.O.B. 493, Lahore. Cable, SCHAZOO, Lahore.

Both the above are for loan No. 391-H-066. U.S. source. Quotations desired by November 1. SBC-392.

282 Synthetic Materials

■ **GREECE**—Polyethylene, synthetic rubber, resin, geon hi-temp, plastifiers; used for the manufacture of rubber and plastic hoses. Quotatation date October 24. Aristovoulos G. Petzetakis, S.A., Hellenic Plastics and Rubber Industry, Thessalonikis & Handri Sts., Moschaton, Piraeus.

■ Polyethylene in 50 lb. bags, 100 mt. Metalloplastic, S.A., Iera Odos 178, Athens, Aigaleo.

■ Polyethylene in 50 lb. plastic bags. P.S. Corcos, Iera Odos 178, Athens, Aigoleo.

■ Polyethylene in 50 lb. bags, 100 mt. Industrial & Commercial Plastics Co., Ltd., Korassidis, 13 Petrou Ralli Side, Athens.

All the above are for loan No. 240-H-028. U.S. source. Bid deadline October 22, for last three items. SBC-386.

ITALY—Isocyanates, accelerators, catalysers for polyurethane plastics antistatic agents; special stabilizers and plasticisers; auxiliaries for the polyvinyl choloride, polythylene and rubber industries; additives for the paper, paint industries. Direct purchase and agency. Hulls & Capelli, di Milesi and Porrati, (agent), via G. Lazzaroni 4, Milan. WTD 9/24/62.

JAPAN—Metallic color roll leaves for hot stamping on papers, celluloids, plastics, leather goods, wooden materials. Not interested in conventional metal-powdered-stamping paper, but wishes to buy stamping roll leaf made from unplasticized polyvinyl chloride or similar materials. Direct purchase and agency. Cannon Press Industries Co., Ltd., (manufacturer), 192 Tsuruhashi-Kitano-cho 3-chome Ikuno ku, Osaka.

■ **TURKEY**—Synthetic rubbers, No. 1002 sbr, $1,173, No. 1551 sbr, $612; No. 1707, $3,740; neoprene w, $153; gir 035, $399; neoprene c.g., $23.25. Total $6,100.25. Import license No. 1791. PA#277-891-901-356-3232. Limited worldwide (901). Quotations desired by October 28. U.S. Royal Lastik Turk A.S., Findikli Han Kat 2, Findikli. Cable, RUBEXPORT, Istanbul. SBC-393.

283 Drugs

● **CEYLON**—Sodium para amino salicylate, 180,000,000 tablets; isoniazid b.p. 1958, 50 mgm., 100,000,000 tablets, in bottles of 1,000 tablets; p.a.s. solution for intravenous administration, 12,500 bottles; pyrazine-2-carboxymide 0.5 gr., 1,000,000 tablets; cycloserine, 1,200,000 capsules; ethionamide 250 mgm. each, 400,000 sugar-coated tablets; Bid deadline October 22. The Chairman, Tender Board, Ministry of Health and Housing, P.O. box No. 500, Colombo.★ (Telephone 202-WO-73394).

● Glycerine b.p., 45,000 lb.; liquid cresol sap b.p., 2,000 imp. gal.; chlorhexidine and cetrimide solution, 1,250 gal. in 5 gal. tins; (a) chlorhexidine and cetrimide solution, 625 gal. in 1 gal. tins; (b) chlorhexidine and cetrimide solution, 625 gal. in ½ gal. tins; pariffin liquid b.p., 1,000 imp. gal. in 10 gal. drums; oleum morrhuae b.p., 2,500 imp. gal. in 45 gal. internally coated export drums; and tinct benzoin co. b.p., 200 imp. gal. in ½ gal. Winchester qt. bottles. Bid deadline November 26.

● Ext. pro. tinct zingib fort B.P., 600 lb.; ext. pro. tinct card co. b.p., 5,000 lb.; ext pro. tinct. gentian b.p., 4,000 lb. Bid deadline December 10.

The Chairman, Tender Board, Ministry of Health and Housing, P.O. box No. 500, Colombo.★ (Telephone: 202-WO7-3394).

284 Perfumes, Cosmetics, Toilet Preparations

BELGIUM—Perfume and beauty and toilet articles. Ets. A. Vandevyvere & Co., p.v.b.a., (importer, wholesaler), 8/9 Stationsstraat, Mechelen.

287 Agricultural Chemicals

● **GREECE**—Aldrin, 40% w.p., 50 mt., packaged in cardboard boxes of 1 kilo net wgt., bid deadline November 4. National Tobacco Board, 9 Amerikis St., Athens.★ (Telephone: 202-WOrth 7-3910).

● Bids on following fertilizers are requested: ammonium sulfate and ammonium sulfate-nitrate for delivery June 1 to August 31, 1964, except 15,000 tons of nitrogen units between October 1 and December 15, 1964; ammonium nitrate, calcium ammonium nitrate, sodium nitrate, calcium nitrate for delivery October 1 to December 15, 1964, except 4-5,000 tons between June 1 and August 31, 1964; ammonium phosphate for delivery June 1 to August 31, 1964; single and triple superphosphate for delivery June 1 to August 31, 1964, and potassium sulfate for delivery October 1 to December 31, 1964. Total quantities of the various products not given but total orders estimated at $12-15 million. Bid deadline through October. Agricultural Bank of Greece, 12-14 Karageorgi Servias St., Athens.★ (Telephone. 202-WOrth 7-2008).

■ **GUINEA**—Nitrogenous fertilizer, urea, compound, pelleted, 45 or 46% nitrogen. S/A No. 53/63. PA#675-2301-901-321-3002. Quotations desired by November 4. Office de la Banane, Conakry, where offers in 16 copies should be submitted and one additional copy to the Embassy of the Rep. of Guinea, Washington, D.C. SBC-393.

289 Chemical Products

● **CEYLON**—Urea formaldehyde glue. Estimated 200 tons per yr. Bid deadline January 10, 1964. The Chairman, Ceylon Plywoods Corp., 48 Sri Jinaratana Rd., Colombo 2.★ (Telephone: 202-WOrth 7-3512).

291 Petroleum Refining

● **KOREA**—Sealed bids in six (6) copies, petroleum lubricants approx. 406 drums. Invitation No.: KFX-3074-N, p.r. No. GM 63-3, bid deadline October 22. Office of Supply, Government of the Republic of Korea, Seoul. Bid must be firm for 21 days after bid opening. Port of discharge: Pusan.★ (Telephone: 202-WO 7-2355).

299 Products of Petroleum, Coal

GERMANY—Fuel oil for heating; coal and coke. M. Stromeyer Lagerhausgesellschaft (importer, wholesaler, retailer, manufacturer), 68 Mannheim, Karl-Ludwig-Strasse 30. WTD 9/23/63.

301 Tires, Tubes

● **HONG KONG**—Tires, 2,720; tubes, 2010, various sizes; tender No. Stores C/52/58/64, bid deadline November 1. Secretary, Tender Board, Colonial Secretariat, Government Offices, Lower Albert Rd.★ (Telephone: 202-WO 7-3381).

■ **INDONESIA**—Goodyear tires, tubes, rib implement, traction sure grip, or equal, sizes 600 x 20, 6 ply, 60/60 each; 11 x 24, 6 ply, 30/30 ea., 9 x 36, 4 ply, 30/30 each., 13 x 28, 6 ply 30/30, 14 x 28, 6 ply, 20/20. Double quantity needed. Invitation No. 497-221. Loan No. 497-K-013. U.S. source. Bid deadline October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y. SBC-389.

307 Plastics Products

BELGIUM—Plastic bottles. Gelsing & Legros, s.p.r.l., (importer, exporter, wholesaler), 31 rue Deneuf, Deurne, Antwerp. WTD 9/19/63.

311 Leather, Tanning, Finishing

ENGLAND—Leather, for shoes, clothing, belts, general leather goods. Agency and direct purchase. R & A Kohnstamm, Ltd., (manufacturer, exporter, importer) Croydon Rd., Beckenham, Kent. WTD 7/29/63.

FRANCE—Suede sheepskins, lambskins. Direct purchase and agency. Terray & Cie, (importer, dealer), 33 rue Nicolas Chorier, Grenoble, Isere.

313 Boot, Shoe Cut Stock, Findings

FRANCE—Supplies for the shoe industry: fittings, eyelets, fasteners, laces; requests replies in French. Direct purchase and agency. Crispin Service, (importer, dealer), 26 rue Edouard-Vaillant, Tours (Indre & Loire).

314 Footwear

JAPAN—Men's shoe and misses' nylon mesh shoe. Direct purchase and agency. The Nissei Trading Co., Ltd., (importer), Tokiwa Bldg. 3 Nishisekiya-cho 2-chome, Naniwa Ku, Osaka.

317 Handbags, Other Personal Leather Goods

JAPAN—Handbags, belts for misses. Direct purchase and agency. The Nissei Trading Co., Ltd., (importer), Tokiwa Bldg. 3 Nishisekiya-cho 2-chome Naniwa Ku, Osaka.

321 Flat Glass

FRANCE—Handmade eyeglass. Rene Romand, (manufacturer), 3 Chemin G. Grenier, Oyonnax, Asin.

322 Glass, Glassware

AUSTRALIA—Domestic glassware, such as kitchenware; desires prestige range of merchandise. Mr. J. F. Chapman, Director Union Textiles, Pty., Ltd., (importers, distributor), 275 Clarence St., Sydney.

326 Pottery

AUSTRALIA—Household kitchenware, china; desires prestige range of merchandise. J. F. Chapman, Director, Union Textiles, Pty., Ltd., (importers, distributors), 275 Clarence St., Sydney.

● **ETHIOPIA**—8,000 pin type porcelain high

tension insulators, swanneck hooks, wood screw mountings; 40,000 pin type porcelain low tension insulators, swanneck hooks, wood screw mountings. Tender No. 89/56, Bid deadline November 30. Ethiopian Electric Light and Power Authority. P.O. box 1233, Addis Ababa.★ (Telephone: 202-WOrth 7-4387).

● **IRAQ**—Various quantities of china and porcelain milk jugs, teapots, flower vases, tea cups, coffee cups. Tender No. 2A/63, bid deadline October 27. Terms and specifications available from Central Foreign Purchasing Board, Ministry of Finance, Baghdad, against payment of ID 2 ($5.60) per copy, plus $0.70 airmailing charges. Copy available for review only in Rm. 4424, Consumer Durables Division, BDSA, Department of Commerce, Washington, D.C., 20230. (Telephone: 202-WOrth 7-4387).

329 Abrasive, Asbestos, Nonmetallic Mineral Products

■ **INDIA**—Grinding wheels, 24″ x 10″ x 12″ o.d., for Cincinnati centerless grinder, 12 Nos.; regulating wheels, 14″ x 12″ x 5″, 12; inner ring bore grinding wheels, various sizes, 20,000; ball grinding wheels, 30″ x 4″ x 12″, 16; ball lapping wheels, 30″ x 4″ x 12″, 14; abrasive stones, various sizes, for honing of tracks, 10,000; ball flashing plates 30″, ball grooves varying with sizes, 24; special tools for multi-spindle automatic: circular form tools, 36; gashing and facing tools, 36; recessing tools, 32; tracking tools, 24; trepaning blades, 40 sets; carbide tips, 1000; stellite solid, 100 kg.; special reamers, 42. Loan No. 157. U.S. source. Quotation deadline November 4. IL No. 978330/DLF-157/62/HQ/CGI. Ref. No. 20(4)/63-AID-II. Bharat Ball Bearing Co. Ltd., 49/1 Gariahat Rd., Calcutta 19. SBC-391.

■ Lapping compounds, honing stones: micromolds P6-434, 1¾″ size for hard honing grade 57A-180K8-VBE AMER No. R for part No. 640405, 8000 Nos.; honing stones micromolds, P6-434 in abrasive A-180N uni for green honing gear part No. 640405, 4500 Nos.; 641774/T-13-3″ long aluminum shell assembly No. AFSF-902 in abrasive grade A-220-L, 3000 Nos.; aluminum shell assembly afsf in abrasive C-150K for honing cylinder block part No. 806279, 6500 Nos.; ready mixed lapping compound in grade C400-V2-OS (R1 fine), 6000 lb.; diamond wheel for off-hand grinding, 6″ dia. x ¾″ thick x ¾″ wide x 1¼″ bore with 4 mounting holes to suit Hammond electrolytic grinder model CBE-66, metal bonded 100 grit concentration depth of abrasive ⅛″, 2 Nos.; chip braker grinding wheel to suit same, ¼″ thick x ⅛″ abrasive depth, 6″ dia., 1¼″ bore, 2 Nos. Loan No. 217. U.S. source. Quotation deadline November 10. F.a.s. port of exit. IL No. A-588277/61/AU-DW/CCI/HQ/RM. Reference No. 65(331)/63-AID(I)(1). Mahindra & Mahindra, Ltd., Gateway Bldg., Apollo Bunder, Bombay 1. Cable, JEEPS, Bombay. SBC-391.

■ Refractory materials for complete relining of various types of furnaces such as all cases furnace, horizontal atmotrol furnace, rx-generator, vertical atmotrol furnace, oven furnace. Long list of relining materials, various specifications, quantities. Loan No. 217. U.S. source. Quotation deadline November 10. Fas port of exit. IL No. A-588277/61/AU-DW/CCI/HQ/RM. Ref. No. 65(331)/63-AID(I)(III). Mahindra & Mahindra, Ltd., Gateway Bldg., Apollo Bunder, Bombay 1. Cable, JEEPS, Bombay.★ SBC-391.

331 Steel Mill Products

● **BURMA**—Flats, 2½ x ¼″ thru 8 x ⅝″ and plates from 10 x ¼″ to 12 x ⅝″, total wgt. 1,530 tons. Tender #PRV/19/CS(63-64), bid deadline October 29. The Chairman, Civil Stores Committee (1), St. John's Rd., Rangoon.★ (Telephone: 202-WO 7-2363).

● Steel wire rope, galvanized, round strand, 6 x 37 x 1 right hand lay, breaking 80/90 tons per sq. in., in coils of 720 ft., spec. bss 2052, 1953, 1½″, 1⅝″, 1¾″, 2⅛″, and 2¼″ in circumference, 250 coils of each, 1⅞″ cir., 450 coils, 2″ cir.—400 coils. Tender #GH/32/GII(63-64), bid deadline October 28. The Chairman, Civil Stores Committee (1), St. John's Rd., Rangoon.★ (Telephone: 202-WO 7-2363).

● Steel wire rope, round strand, galvanized, 6 x 37 x 1 right hand lay, t.s. 100/120 tons, in coils, of 720 ft., bss 2052, 1953, 2⅜″, 2½″, 2⅝″, 2¾″, 2⅞″ and 3″ circumference 150 coils of each. Tender GH/31/GII(63-64), bid deadline October 28. The Chairman, Civil Stores Committee (1), St. John's Rd., Rangoon.★ (Telephone: 202-WO 7-2363).

● Channels, tees, bar and structural sizes, various items, quantities, total wgt. 1,010 tons. Tender #PRV/20/CS/(63-64), bid deadline October 29. The Chairman, Civil Stores Committee (1), St. John's Rd., Rangoon.★ (Telephone: 202-WO 7-2363).

● Plates, sheets, mild steel, various sizes, quantities, total wgt. 800 tons. Tender No. PRV/21/CS (63-64), bid deadline October 28. The Chairman, Civil Stores Committee (1), St. John's Rd. Rangoon.★ (Telephone: 202-WO 7-2363).

● Squares, mild steel, from ⅜″ to 1″ total wgt. 500 tons, m.s. flats, of various sizes, quantities, total wgt. 2,970 tons. Tender No. PRV/18/CS (63-64), bid deadline October 29. The Chairman, Civil Stores Committee (1), St. John's Rd., Rangoon.★ (Telephone: 202-WO 7-2363).

● Steel wire rope double threat at bss 462: 1932, eight items from ½″ thru 2″ circumference, 3,000 pcs. Tender No. GH/34/G-II/63-64, bid deadline October 30. The Chairman, Civil Stores Committee (1), St. John's Rd., Rangoon.★ (Telephone: 202-WO 7-2363).

● Steel billets, 74 mm. x 74 mm. sq. max., length 1330 mm., open hearth quality, 2,500 tons. Carbon 0.8-.12, mn. .35-.45 phos.-sul. .05 max. Tender No. Q/3/9, bid deadline October 23. The General Manager, Revolutionary Government of the Union of Burma, Industrial Development Corp., Steel Mill, Ywanam, Insein.★ (Telephone: 202-WO 7-2363).

● **GREECE**—Screw spikes, fishbolts with nuts, clips, clip-bolts with nuts, double and simple spring washers, fishplates, tie-plates, various quantities. Tender No. 628F, bid deadline November 1. Hellenic State Railways (SEK), 34 Themistocleous St., Athens.

■ **INDIA**—Alloy steel to certain analysis, suitable for refractory moulds, width 9 or 9¼″, thick, 1¼″, 1″ and/or ½″, standard length. 25% in ½″, 75% balance. Approx. $11,800. C&f or cif Calcutta with shortest delivery time given. Reference No. NBR/STEEL/APPLNS-3/617. Import license No. DL/55/927/02201/0005. Loan No. 386-H-082. U.S. source. Quotation date October 23. New Bharat Refractories, Ltd., 10 Clive Row, Calcutta 1. SBC-387.

■ Tin plate, grain to run parallel to length, charcoal coating, standard temper, 34″ x25″, 22 swg, 9 mt., 34″ x 25″, 25 swg, 4 mt., or 90″ x 31″, 24 swg, 2mt. For making various types of textile machinery equipment requiring 180° band. Ref. No. DC/217/BDL/125. Import license No. BL/82-121/03101/27. National Machinery Mfgrs., Ltd., Kalwe, Thana, Maharashtra State, P.B. No. 3, Thana. Quotation date October 21.

■ Nickel chrome rounds, sizes ¼″ to 4″, total 436 running ft.; nickel chrome plates, ½″ to 2½″, 12 sizes, total 64 sq. ft.; cold rolled close annealed steel sheets packed in two ton steel envelopes, pickled and oiled, 20, 22, 24, 26, 28 G. total 95 tons. Ref. No. DC/217/BDL/133. IL#DL/55/1130/03 1 01/0066. Globe Auto Electricals, Ltd., Green's Mansions, Gateway of India, Bombay 1. Quotation date October 22.

■ M.S. channels, 9 x 3 and 3½; m.s. plates, various; m.s. angles; m.s. plates. Total 201 tons. Ref. No. DC/217/BDL/132. IL#CL/82/3/04101/1. Jessop & Co., Ltd., 63 Netaji Subhas Rd., Calcutta 1. Quotation date October 22.

All the above are for loan No. 386-H-082. U.S. source. SBC-386.

■ Forging bars, to spec. uni 15 NC 11 1C, 15 mm. dia., 50 tons; unic 30 1C, 60 mm., 30 tons; uni 25 CD4 1R, 35 mm., 20 tons; uni 40 CD4 LR, 42 mm. dia., 20 tons; uni 15 NC 11 LC, 52 mm. dia., 30 tons; same spec., 60 mm., 25 tons. Reference No. DC/217/BDL/114. Import license No. DL/55/303101/0296. Loan No. 386-H-067. U.S. source. Quotations desired by October 21. Automobile Products of India, Ltd., Agra Rd., Bhandup, Bombay 78. SBC-386.

■ Fully killed steel wire rods in coils, grain size according to astm standard E-19, 1200 tons, various sizes, descriptions. Loan No. 386-H-082. U.S. source. Quotation deadline October 24. IL No. BL/82-12-/03101/32. Special Steel, Ltd., Dattapara Rd., Borivli E., Bombay 66. Cable, DRAWNWIRES, Borivli.★ SBC-388.

■ Cold rolled deep drawing steel sheets spedd stabilized to uni 3351-52, thicknesses 0.8, 1.0, 2.0, 1.2, 2.5 mm., widths 1100, 1000, 840, 850, 903 mm., lengths 2200, 2000, 1680, 2000, 1986 mm., 200 tons. Loan No. 386-H-082. U.S. source. Quotation deadline October 22. IL No. DL/55/3/02101/0656. Ref. No. DC/217/BDL/131. Automobile Products of India, Ltd., Agra Rd., Bhandup, Bombay 78. SBC 388.

■ Tool and alloy steels including rounds, plates, flats, angles, squares, billets, blooms, ship channels, 70 items various quantities; mild steel plates and carbon steel bars, 9 items, various quantities; various tools such as gear cutting tools, hobs and broaches, radial chasers, die heads, grinding fixtures, taps, chaser holders, floating reamers, grinding wheels and circometers all in various quantities. Loan No. 217. U.S. source. Quotation deadline October 31. IL No. A-586715/61/AU-DW/CCI/HQ/RM/L.II(E). Ref. No. 65(329)/63-AID.I. Tata Engineering & Locomotive Co., Ltd., Bombay House, Bruce St., Bombay 1-through: Tata, Inc., (agents), 425 Park Ave., New York, N.Y. Cable, TATAINC, New York. Single copies of the detailed specifications may be obtained from the Office of Small Business, AID, Rm. 2120, Barton Hall, Ohio Dr. and Independence Ave., SW., Washington, D.C. SBC 388.

Stainless steel sheets, aisi 304, cold rolled, annealed—ct 18%, ni 8%; 18, 20, 22, 24 swg; 2b or 2d finish; requests quotations cif Calcutta, on up to 50 ton. Hulas Metal Crafts, (Pvt.), Ltd., (manufacturer), P.O. Biratnagar, Nepal, via Jogbani, Purnea District, Bihar.

■ Alloy steel to specification aisi 4340 hot rolled or cold rolled, normalized in random straight lengths 10 to 15 ft., ¾″-7¾″ round, various quantities; carbon tool steel to aisi

1095, hot rolled and annealed, random straight lengths 10 to 15 ft., 2" round, 120 to 140 ft.; bright drawn hot rolled or cold rolled rounds, various sizes, specification numbers, quantities. Loan No. 217. U.S. source. Quotation deadline October 15. IL No. DL/55/47/02201/0041. Godrej & Boyce Manufacturing Co., Pvt., Ltd., Balbaug, Parel, Bombay 12. Cable, GODREJ-SAFE, Bombay.★ SBC-393.

■ **INDONESIA**—Hot rolled open hearth steel bars, normal ship building quality, to specification and test certificate of Bureau Veritas, rolled and thread as usual tolerance, half round, 65 x 32.5 mm., 3 tons; round bars, 3", 3 tons.

■ Hot rolled basic open hearth steel standard angles, commercial quality, standard tolerances, loose or in bundles of 3 tons, mill's options, lengths of 18-23 ft., 2½ x 2½ x ¼", 15.5 mt., 3 x 3 x ¼", 16 tons.

■ Hot rolled basic open hearth standard angles, to abs standards tolerances, loose or in bare bundles of 3 tons, at mill's options, lengths of 18-23 ft., 2 x 2 x 1¼", 8.5 mt.; 2½ x 2½ x ¼", 2¾ x 2¾ x ¼", 11.5 mt. each, 2½ x 1½ x ¼", 8 mt.; 3 x 2 x ¼", 3½ x 2½ x 5/16", 17.5 mt. each.

All the above are for invitation No. 497-155. Loan No. 497-K-013. Subject to special conditions. U.S. source. Bid deadline October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y. SBC-389.

■ Hot rolled basic open hearth sheet plates, to abs standards, visual inspection by Veritas, cut or mill edge, mill's options, standard tolerances, loose or in bare bundles, of approx. 3 tons, size 1530 x 6000 x 8 mm., 31,500 kg.

■ Hot rolled open hearth steel plates, to abs standards, with visual inspection by Bureau Veritas, cut or mill edge, mill's option, standard tolerances, loose or in bare bundles of approx. 3 tons, 6000 x 1800 x 6½ mm., 33.5 mt.; 6000 x 1800 x 8 mm., 20 mt., 6000 x 1800 x 9½ mm., 94 mt.

Both the above are for invitation No. 497-155. Loan No. 497-K-013. Subject to special conditions. U.S. source. Bid deadlines October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y. SBC-389.

■ ¼" x 2000 x 12000 mm., 5/16 x 2000 x 12000 mm., 3/8" x 2000 x 12000 mm., ½" x 2000 x 12000 mm., 5/8" x 2000 x 12000 mm., 1,008,900 kg. each. Ship plates, Siemens Martin ship building quality, test and certificate by Bureau Veritas, tolerances to din 1542/3 bundled as usual. Invitation No. 497-159.

■ Mild steel equal angles, round edged, Thomas commercial quality, in lengths of 5 to 12 meters, bundled in lifts of about 1,000 kg., 50 x 50 x 6 mm., 65 x 65 x 6 mm., 75 x 75 x 6 mm., 100 x100x10 mm., 150 x 150 x 12 mm., 400 or 450 mt., each. Invitation No. 497-171.

■ First class steel grinding balls, Klocker quality, 20 ton balls, 50 mm., 20 ton balls, 60 mm., 15 ton balls, 80 mm., 40 ton balls, 90 mm., 60 t. cylpeds, 25 mm. x 25 mm., 20 t. cylpeds 22 mm. x 22 mm. Invitation No. 497-174.

■ Hot rolled carbon steel flat bars, merchant quality, open hearth, in lengths of about 20 ft., bundled in lifts of about 2,000 lb., ¾" x 1/8", 1" x ¼", 1¼" x 3/8", 2.68 lt. each. Invitation No. 497-220.

All the above are for loan No. 497-K-013. Subject to special conditions. U.S. source. Bid deadline October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y. SBC-389.

■ Hot rolled basic open hearth carbon steel plates and sheets, for ship construction, commercial quality, cut or mill edge, at mill's options, standard tolerances, loose or in bare bundles of approx. 3 tons, ¼", 3/8" and 1/16" thick, 12¼ tons total. Invitation No. 497-149.

■ Hot rolled mild steel chequered plates of Siemens Martin quality, rolled and sheared with usual tolerances, height of ribs about 1.5 mm. Inspection certificate of Bureau Veritas, Superintendence Co. or other surveyor appointed by Indonesian Supply Mission, size 1¼" x 5' x 16', 5,650 kg. net. For ship construction. Invitation No. 497-149.

■ Hot rolled basic open hearth steel plates, according to abs standards with visual inspection by Bureau Veritas, Superintendence Co., or other surveyor appointed by Indonesian Supply Mission. Cut or mill edge, at mill's option, standard tolerances, loose or in bare bundles of about 3 tons. For ship construction. Size ¼" x 3' x 20', 37½ mt. Invitation No. 497-149.

All the above are subject to special conditions. Loan No. 497-K-013. U.S. source. Bid deadline October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y. SBC-389.

■ Hot rolled basic open hearth carbon steel plates, standard tolerances, loose or in bare bundles, of approx. 4 tons, at mill's options, 4' x 8' x ¼", 4' x 8' x 3/8", 13 mt.

■ Hot rolled basic open hearth carbon steel sheets, commercial quality, cut or mill edge, at mill's options, standard solerances, loose or in bare bundles of approx. 3 tons 4' x 8' x 1/32", 4' x 8' x 1/16", 6.8 mt.

■ Hot rolled basic open hearth carbon steel plates, commercial quality, cut or mill edge, at mill's options, standard tolerances, loose or in bare bundlees of about 3 tons, at mill's options, size ¼" x 4' x 8', 9.4 mt.

■ Short link chain, 20 mm. (¼"), 175 meter or 575 ft.

All the above are for ship construction and subject to special conditions. Invitation No. 497-149. Loan No. 497-K-013. U.S. source. Bid deadline October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y. SBC-389.

■ Galvanized flexible steel wire ropes, size 9 mm., 10 rolls; same but 12 mm., 7 rolls; 16 mm., 2 rolls. Invitation No. 497-149.

■ Equal angle bars, 25 x 25 x 3, 35 tons; 30 x 30 x 5 mm., 35 tons; 40 x 40 x 5 mm., 30 tons. Invitation No. 497-150.

■ Babbit metal in ingots, with alloy 80% sn, 12% sb, 6% cm., 2% pb., tolerance 1% per ingredient. U.S.-made, 1000 kg. Inv. #497-154.

■ Hot rolled basic open hearth steel plates, to abx standards, with visual inspections by Bureau Veritas, cut or mill edge at mill's options, standard tolerances, loose or in bare bundles of approx. 3 tons, 8 mm. x 6 x 20', 6 mt., 5 mm. x 6 x 20', 12.3 mt. Inv. No. 497-154.

■ Hot rolled basic open hearth carbon steel plates, commercial quality, cut or mill edge, at mill's options, standard tolerances, loose or in bare bundles of approx. 3 tons, ¼" x 4' x 8', 4.2 mt. Inv. #497-154.

All the above are for ship construction, subject to special conditions. Loan No. 497-K-013. U.S. source. Bid deadline October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y. SBC-389.

■ Hot rolled carbon steel flat bars, merchant quality, open hearth, in lengths of about 20 ft. and bundled in lifts of about 2000 lb., 1½" x ¼", 3.5 lt., 2" x 5/8", 3.1 lt.

■ Hot rolled carbon steel structural standard beams, open hearth quality to astm A7, lengths of about 40', bundled in lifts, size 3, 4, 5, 6, 7, 8", total approx. 123 lt.

■ Hot rolled carbon steel angles, open hearth to astm A7, lengths 20 and 40', sizes 1¼ to 6", 30 items, total 264 lt. Bundled in lifts of about 2000 lb.

■ Open hearth hot rolled carbon structural standard channels, to astm A7, lengths of 20, 33 and 40 ft., 2, 2½, 3, 4, 5, 6, 7, 8, 9, 10", total approx. 123 lt.

■ Hot rolled carbon steel tees, open hearth merchant quality in lengths of about 20 ft., bundled in 2000 lb. lifts, sizes 1¼" x 1¼" x 3/16, 1½" x 1½" x 3/16, 1¾" x 1¼" x 3/16", 2 x 2 x ¼", total about 41 lt.

All the above are for invitation No. 497-220. Loan No. 497-K-013. U.S. source. To special conditions. Bid deadline October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y. SBC-389.

■ Hot rolled carbon structural standard channels, open hearth, to astm A7, in lengths 20, 33 and 40 ft., 2" 2½, 3, 4, 5, 6, 7, 8, 9, 10", total 122 lt.

■ Hot rolled carbon steel plates, open hearth, to astm spec. with mechanical test, 1/8" bundled in lifts of about 2200 lb. and other sizes loose. Size 8' x 4' x 1/8", 20' x 5' x ¼", 20' x 6' x ¼", 20' x 6' x 5/16", 20' x 6' x 3/8", up to 8', x 4' x 1", total 105 lt.

■ Hot rolled carbon steel round bars, open hearth, tensile strength 80.000-95.000 p.s.i. in lengths of about 20 ft. and bundled in lifts of about 2,000 lb., 3/8", ½", 5/8", ¾", 142 lt. approx.

All the above are for invitation No. 497-220. To special conditions. Loan No. 497-K-013. U.S. source. Bid deadline October 28. Indonesian Supply Mission 5 E. 68th St., New York, N.Y. SBC-389.

■ Half locked coil aerial carrying ropes, tensile 100/120 kg. mm. 2 basic grade steel construction. Cover of half locked and round wires in pairs interlocked over a core of round wires. Various descriptions, sizes, quantities. Invitation No. 497-224.★

■ Black steel sheets, Thomas commercial quality, bundled in lifts of about 1,000 kilos, size 6' x 3' x 1/32", 8' x 4' x 5/16, total 1590,025 mt. Invitation No. 497-226.

■ Cover of half locked and round wires in bars interlocked over a core of round wires, various descriptions, sizes, quantities; reliance couplings for ring cone and wedge fixing, material 35/40 tons, sq. in. tensile, 12 to suit 30, 32 and 36 mm. Invitation No. 497-227.

Loan No. 497-K-013. U.S. source. Bid deadline October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y.★ SBC-389.

● **IRAN**—Galvanized barbed wire, 2 ply, distance between each barb 6 in., dia. 2-2½ mm., 20,000 kg. Tender #42/451, bid deadline December 30. The Iranian State Railways, Purchasing Dept., Section of Adjudication and Contracts, Maidan Rahahan, Tehran.★ (Telephone: 202-WO 7-2363).

PAKISTAN—Iron, steel products, such as rods, angles, sheets, flats, rounds, pig iron, rolled steel joists, railway lines, wires; earth piles, cast iron and steel water supply and gas pipes 2" to 12" in dia. Direct purchase and agency. Globe Industries, (importer, distributor, commission merchant), National House, 47, The Mall, Lahore. Cable, GLORIOUS. WTD 9/16/63.

■ M.S. sheets and plates, 1/8", 3/16", 5/32", 7/32", ¼", 5/16", 3/8", ½", thick, size 8' x 4' and 10' x 5', suitable for rolling and welding of pipe, min. quantity 20 tons. Import license No. 248-399. Orient Technical Works, 35, Ferozpur Rd., Lahore. Cable, PAKTECH.

■ Electrolytic tinplate waste all bright, gauges 30-32, sizes 20 x 30, 31 x 30 or 19" x 28" and larger; electrolytic misprints, same. IL# 235608. Veximp, Ltd., H.O. 188 Loha Market, Lahore.

■ Stainless steel bars, hot rolled, annealed, type aisi-410, carbon .13 to .15%, prime quality, sizes 1" x ¾", 1" x ½", ¾" x ½", ½ x ½", ⅝ x ⅝", ½" x ¼", ½ x 3/16", 18,500 lb., total; ⅝" rounds, ¾" round, 1000 lb. IL#356003. Hilbro, Ltd., Kulluwal Rd., Sialkot City, W. Cable, HILBRO, Sialkot.

All the above are for loan No. 391-H-066. U.S. source. Quotations desired by November 1. SBC-392.

■ Pig iron, foundry grade, to certain analysis, $84,200; m.s. plates, ⅛", 3/16", ¼", ⅜", and ½", $10,500; m.s. wire, galvanized, 22 bwg, $4,200; m.s. sheets, 16 & 26 bwg, $6,300. Import license No. 282192. Tara Iron & Steel Industries, Ltd., Baizid Bostami Rd., Industrial Area, Chittagong. Cable, TARAIRON, Chittagong.

■ Steel sizes ⅝" to ¾" x 22-¾"-28", 20" x 30", total 445 lt. IL#355625. Wazir Ali Industries, Ltd., Kali Rd., Hyderabad. Cable, COTTONCOLD, Hyderabad.

■ 100% prime quality/commercial quality, cold rolled, close annealed mild steel sheets, pickled, oiled, to astm-designation A-366-58 bright surface, size 3' x 8' and/or 3' x 6', bg 14, $5,100; 16bg, $16,500; 18 bg $16,500; 20 bg, $13,400; 100% prime quality galvanized iron wire to standard astm specs., bwg 3, $100; 4 bwg, $1300; 6 bwg, $1000; bwg 8, $400; bwg 10, $200; 12 bg $200. C&f Karachi. To certain condition. IL#349498. R.B. Khokhar Metal Works, Marriot Rd., Kuchi Gali No. 3, Karachi.

All the above are for loan No. 391-H-066. U.S. source. Quotations desired by November 1. SBC-392.

■ Equal angles, 2" x 2" x ¼", ½" x 1½" x ¼", 15 tons; unequal angles, ½" x 2" x ¼", 3" x 2" x ¼", 3" x 2" x 5/16", 2½" x 3½" x ¼", total 43 tons; channels, cold rolled, 3" x 1½", 3" x 2" x 14G, 4" x 2", 6" x 3", 7" x 3", 130 tons; tees bars, ½" x 1½" 14G, 2½" x 2½" x ¼", 2" x 2" x ¼", 3" x 3" x ⅜", total 76 tons; m.s. plates, gauges, 10, 16, 22, ⅛" thickness chequered, thickness 6 & 9 mm., 10.5 mm., ½", ⅜", 508 tons; m.s. sheets, ⅛" & 1/16", 276 tons; g.p.i. sheets, 16, 24 gauge, 1.25 oz. zinc coating, 60 tons; m.s. plain sheets, 16 g., 10 tons; flat bars, 1½" x ¼", 6 tons; z. bars, 1½", t. bars ¾" x ¾", 6 tons each. Mills test certificate to accompany. Import license No. 289211. Pak Steel Works, 1st Fl., Sadat Mansion, Sadderghat Rd., Chittagong. Cable, PAKSTEEL. Prices to include ocean freight but exclude marine insurance.

■ Mild steel sheets, crca, pickled and oiled, commercial quality, soft, to astm-A 366-58T, size 8' x 3', or 4' x 6'-10', $5250; mild steel sheets to astm-A 415-58T, 8' x 3', gauges 10, 12, 14, 16, 18, $5250; stainless steel sheets, usual standard quality, 9 x 3', 6 x 3', or 8 x 4', G. 12, 14, 16, 18, 20, 22, 24, $5880; stainless steel rounds, 1½", 1¾", 2", 2½", 3", $1470; mild steel joists, to astm-A7, 5 x 3", $4200; galv. plain sheets, 1.25 oz. zinc coating, commercial, bright to astm-A361-59T, 8 x 3', 6-10, bg 16, 18, 20, 22, 24, 26, 28, 30, $8400. Total value $30,450. IL#353063. To special conditions. Saifuddin Akberali, Ireland Rd., Karachi.

All the above are for loan No. 391-H-066. U.S. source. Quotations desired by November 1. SBC-392.

■ Galvanized plain sheets, prime quality, 1.25 oz. per sq. ft., zinc coating, bg 26, 28, & 30, 8' x 3'; galv. corrugated sheets, prime, same, BG26, 8' x 3'; crca black sheets, annealed, prime, bg 20-30; mild steel shaftings, bright polished, cold rolled C1018, 1, 1¼, 1½, 2, 2½, 3 & 6"; stainless steel sheets, 18/8, Type 18/8, 302, 304 or A-1502, 10-24 Usg.; stainless steel strips, 210 or 320 type, 20-22 gauges; stainless steel rounds, ½"-2"; mild steel joists, prime, 5 x 3", 6 x 3.⅜", 7 x 4, 8 x4"; m.s. plates, prime, ⅛", 3/16", ¼" x 8 x 4'; high speed steel sq. rods, 22% Tungsten, ½"-2". $32,970. Fas & freight, c&f Karachi. Import license No. 334281. Gulam Mohamed Bros., P.O. box 4090, Fakhru Bldg., Murad Khan Rd., Karachi 2, W. Cable, FILES. Loan No. 391-H-066. U.S. source. Quotations desired by November 1. SBC-392.

332 Iron, Steel Foundries

■ **PANAMA**—Supply, installation of cast iron cement lined pipe and fittings, valves, hydrants in via Espana, via Cincuentenario, West St. and 9th St., in Parque Lefevre, and Santa Elena in Panama City. 16" pipe, 3386 meters, 12", 3900 mt., 10", 261 mt., 6", 1708 mt., 4", 596 mt., valves, 16", 6 nos., 12", 7; 10", 12; 6", 48; 4", 3; 4" hydrants, 2; 6" hydrants, 28. Project No. A-12. Loan No. 525-L-005. U.S. source. Bid deadline November 1. Republic of Panama, Institute of National Water and Sewage Systems, I.D.A.A.N., Panama, where specifications and contract documents may be obtained upon payment of $50 for each set. Also available at the Office of Greeley and Hansen, Engineers, 14 E. Jackson Blvd., Chicago 4, Ill. Total amount of deposit on plans will be reimbursed to the bidder if he returns, in good condition, the specifications within 30 days after the date of the bidding. Anyone obtaining contract documents and not participating in the bidding, will not be reimbursed. SBC-386.

VIETNAM—Cast iron pressure pipe and fittings in 3 to 20 in. dia. Direct purchase and agency; requests catalogs and price lists. L'Union Commerciale Indochinoise et Africaine, (importer, dealer), 35 dai lo Le Loi, Saigon. WTD 7/15/63.

333 Primary Smelting, Refining of Nonferrous Metals

● **BURMA**—Zinc sheets, annual volume est. over $10,000. Tender No. PRV/14/cs/63-63, bid deadline October 24. The Chairman, Civil Stores Committee (1), St. John's Rd., Rangoon.★ (Telephone: 202-WO 7-2692).

● Lead sheets, annual volume est. over $10,000. Tender No. PRV/16/cs-(63-64), bid deadline October 24. The Chairman, Civil Stores Committee (1), St. John's Rd., Rangoon.★ (Telephone: 202-WO 7-2896).

■ **INDIA**—Copper plates suitable for chemical plant, cold rolled, soft cylinder, finish deoxidized nonarsenical, 99.5% purity. 66" x 84" x ⅜", 24 pcs., approx. 16,078 lb.; 48" x 96" x ⅜", 3 pcs., 1,670 lb.; 48" x 72" x ¼", 18 pcs., 5,011 lb.; 48" x 72" x ⅛", 12 pcs., 1,660 lb.; 48" x 72" x 3/16", 12 pcs., 2,503 lb. Loan No. 157. IL No. 983396/DLF-157/61/HQ/CG.II. Ref. No. 4(225)/62-AID-II. U.S. source. Quotation deadline October 28. Maize Products, P.O. Kathwada-Maize Products, Ahmedabad 2. Cable, MAIZE, Ahmedabad. SBC 388.

■ **INDONESIA**—Copper sheet, min. 99.5%, half hard, size 0.20x600x2000 mm., same but 0.45, 0.8 & 1.0, total 2½ tons. Invitation No. 497-193.

■ Copper sheets, min. 99.5% cu. half hard, packed in seaworthy cases, tare about 20% cu. net wgt., 350 mm. x 1200 mm. 0.3 and 0.4 mm., total 850 kg. Raw material for ship construction. Inv. # 497-193.

Both the above are for loan No. 497-K-013. U.S. source. Subject to special conditions. Bid deadline October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y. SBC-389.

■ Aluminum sheets, plain, 99-99-4% half hard temper, packed in seaworthy cases, sizes 2.000 x 1.000 x 0.5 mm., 0.8, 1.0, 1.5 mm., total 517,293 kg. Invitation No. 497-213. To special conditions. Loan No. 497-K-013. U.S. source. Bid deadline October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y. SBC-389.

■ Electric wire, cables, copper enamelled, tubing, long list. Invitation No. 497-234. To special conditions. Loan No. 497-K-013. U.S. source. Bid deadline October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y.★ SBC-389.

ITALY—Iron and steel scrap, No. 1 and 2; 100.000 mt. annually. Direct purchase and agency. Sidema, (importer), via Nino Bonnet 11a, Milan. WTD 2/28/63.

335 Rolling, Drawing, Extruding of Nonferrous Metals

● **BURMA**—Copper scrap, approx. 5 tons. Tender No. NIV/477/G-3 (62-63), bid deadline October 23. The Chairman, Civil Stores Committee, St. John's Rd., Rangoon★ (Telephone: 202-WO 7-2162).

● **CYPRUS**—Supply and erection of transmission lines, 132 kv 0.25 sq. in. cu. eq. SCA double circuit (40 miles), 66 kv .075 sq. in. cu. eq. sca single circuit (56½ miles). Tender No. Ref. 1127/17, bid deadline December 12. The Secretary, Electricity Authority of Cyprus, P.O. box 449, Nicosia.★ (Telephone: 202-WO 7-2162).

● **GREECE**—Supply of 3-core, paper, insulated 22 kv submarine cable (3,828 yd.), accessories, est. at $59,000. Tender No. PAP/1317, bid deadline November 16. Public Power Corp. (PPC), Athens-Piraeus Division, 4 Korai St., Athens.★ (Telephone: 202-WOrth 7-2162).

● Supply of substation busbar conductors and fittings, est. at $84,000; tender No. DMPM-142, bid deadline October 29. Public Power Corp. (PPC), 30 Chalkokondyli St., Athens 102. One copy of specifications available for reference only in Copper Division, BDSA, Department of Commerce, Washington, D.C., 20230. (Telephone: 202-WOrth 7-2162).

■ **INDONESIA**—Brass sheets, alloy 60/40 or 63/37, hard, halfhard or soft, packed in seaworthy cases, tare about 20 on net wgt. Thickness/size, 0.20, 0.30, 0.40, 0.50, 0.60 mm., 350 x 1200 mm., 2900 kg. total. Invitation No. 497-154.

■ Brass sheets, ½ hard, alloy 60/40%, size 2 x 1m. x 0.5, 2000 kg., 2 x 1m. x 0.8 mm, 1800 kg. Invitation No. 497-193.

■ Round brass rods, ms 58, turning and screwing quality, in lengths of 2-4 m., packed in jute, about 1.½%, ⅝", ½", 500 kg. raw materials for ship construction. Inv. #497-193.

■ Brass sheets ms 63/37, 10 tons. Inv. #497-198.

All the above are for loan No. 497-K-013. U.S. source. Bid deadline October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y. SBC-389.

● **IRAN**—Electrolytic copper cathodes, din 1708 ke cu in form of plate, approx. 882,000

lb.; bid deadline January 1. Edarehe Taslihate Artech, (Armament Dept. of the Imperial Iranian Army), Jaleh Ave., Tehran.★ (Telephone: 202-WO 7-2162).

● Supply of 270 tons of telecommunication copper and steel wire in accordance with specifications; bid deadline December 15. The Ministry of Post, Telegraph and Telephone, Planning and Development Dept., Bimeh Pars Bldg., Saadi Ave., Tehran. One copy of specifications (in English) and one copy of general conditions (in Persian language) available for reference only in Copper Division, BDSA, Department of Commerce, Washington, D.C., 20230. (Telephone: 202-WOrth 7-2162).

● **IRAQ**—Supply of 300 tons of bare hard drawn copper conductor, No. 8 s.w.g., and 40 tons of bare hard drawn copper conductor, No. 10 s.w.g. Tender No. 20, bid deadline October 27. Directorate General of Municipalities, Baghdad. A copy of specifications available for reference only in Copper Division, BDSA, Department of Commerce, Washington, D.C., 20230.

342 Cutlery, Hand Tools, General Hardware

AUSTRALIA—Hand tools: mechanics', domestic. Mr. J. F. Chapman, Director, Union Textiles Pty., Ltd., (importer, distributor), 275 Clarence St., Sydney.

Domestic cutlery; desires prestige range of merchandise. Mr. J. F. Chapman, Director, Union Textiles, Pty., Ltd., (importers, distributor), 275 Clarence St., Sydney.

BAHRAIN—Plastic thermos jugs, ½ gal. capacity. Kewalram & Sons, (importer, wholesaler, retailer), P.O. box 84, Bahrain. WTD 3/24/63.

● **BURMA**—Butt hinges, 100,000 dozen, various types, sizes. Tender No. PRV/25/CS(63-64), bid deadline October 29. The Chairman, Civil Stores Committee (1), St. John's Rd., Rangoon.★ (Telephone: 202-WOrth 7-3087).

NIGERIA—Wire, nails, door locks, padlocks, hinges, buckets, springs, miners lamps. Quotations c.i.f. Lagos. Low to medium price range. A. Adeniji, (importer, wholesaler, retailer), 9 Reclamation Rd., P.O. box 253, Lagos. WTD 9/16/63.

PAKISTAN—Tools, equipment for automobile, railway workshops. Direct purchase and agency. Globe Industries, (importer, distributor, commission merchant), National House, 47, The Mall, Lahore. Cable, GLORIOUS. WTD 9/16/63.

Small tools for use in automobile workshops. Direct purchase and agency. International Business Corp., (importer, distributor, commission merchant), 59 Dinga Singh Bldg., Beadon Rd., Lahore. Cable, INBUSCO. WTD 9/18/63.

344 Fabricated Structural Metal Products

■ **INDIA**—Concrete placers, 17.5 to 22 cft. capacity, with spares for two yrs. operation. Tender No. S/164/AID. Bid deadline October 30. Stress meters, 270 Nos. Tender No. S/162/AID. Bid deadline October 25. Both the above are for loan No. 34. U.S. source. Specifications may be obtained from the India Supply Mission, 2536 Massachetts Ave., NW., Washington, D.C., 20008, on behalf of: Kerala State Electricity Board, Trivendrum. SBC-387.

■ Heat exchanger tubes 70/30 copper nickel, seamless, solid drawn, full length annealed to astm specification B.111 or BS-1464 alloy CZ-105, ¾" O.D. x 16 bwg x 240" long, 1500 Nos. Requisition ref. VMF-3330, item No. 3. Import license No. A-658546. Ref. No. 65(2)/63-082-AID. III. Loan No. 386-H-082. U.S. source. Quotations desired by October 26. Caltex Oil Refining, India, Ltd., P.B. No. 15, Visakhapatnam 1, Andhra Pradesh. All quotations called for, scrutinized and order placement effected in accordance with normal purchasing procedures by purchasing agent: California Texas Oil Corp. Purchasing Dept., 380 Madison Ave., New York, N.Y., 10017. SBC-383.

● **IRAQ**—Supply 23 oil storage tanks, manufactured according to a.p.i. standard specification 650 for welded oil storage tanks, latest revision, or its equivalent. Tanks to be vertical, cylindrical, conical self-supported rigid roof type. One tank, nominal capacity (imperial gal.) 1,225,000, 40 ft. high; two tanks, nominal capacity (imperial gal.) 500,000, 40 ft. high; four tanks, nominal capacity (imperial gal.) 100,000, 25 ft. high; six tanks nominal capacity (imperial gal.) 60,000, 30 ft. high and thru tanks, nominal capacity (imperial gal.) 30,000, 15 ft. high. Tender No. TAWZEE/43/1963, bid deadline October 30. Specifications may be obtained from Administration of Distribution of Oil Products, Baghdad, for $6.35 including airmail charge.★ (Telephone: 202-WOrth 7-4242).

LEBANON—Deep drawing steel sheets, of a thickness 3.2 millimeters, according to astm norms, for the local manufacture of liquified petroleum gas cylinders, approximately 300 mt. a month. Kosangas, S.A.L., P.O. box 2272, Ave. des Francais, Beirut. WTD 9/19/63.

PAKISTAN—Boilers for use in power houses. Direct purchase and agency. Globe Industries, (importer, commission merchant), National House, 47, The Mall, Lahore. Cable, GLORIOUS. WTD 9/16/63.

349 Fabricated Metal Products

● **CAMEROON, REPUBLIC**—Collars and "S" fittings for wooden railroad ties, 25,000-50,000 collars and 50,000-100,000 "S" fittings; bid deadline October 25. Materials should originate from member state of E.E.C. or from U.S. Regie des Chemins de Fer du Cameroun, Boite Postale No. 34, Douala.★ (Telephone: 202-WO 7-5589).

ENGLAND—Control valves suitable for the oil industry, heating and ventilating equipment. Direct purchase and agency. T.G. Lynes and Sons, Ltd., (wholesaler, sales agent), 17 Caledonian Rd., London, N.1. WTD 8/1/63.

351 Engines, Turbines

● **GUATEMALA**—Supply and installation of two Francis type hydraulic turbines, vertical shaft for a net head of 350 ft., and two three-phase electric generators, approx. capacity 7,500 kva and auxiliary equipment. Tender No. 5-63, bids close November 26. Specifications available from Instituto Nacional de Electrificacion (INDE), Edificio Lubia, 4a, Calle No. 5-10, None 1, Guatemala City for $50.00. Bid announcements are available from Power and Electrical Equipment Division, Rm. 4124, BDSA Department of Commerce, Washington, D.C., 20230. (Telephone: 202-WOrth 7-4242).

■ **INDIA**—Tube cleaning equipment, complete for 2½ and 3" tubes, 12 sets; tube expanding equipment, complete, same size, 24 sets; duplex double acting steam driven horizontal boiler feed pumps, 2 & 3", capacity about 7 gal. per min., 200-250 lb. steam pressure p.s.i.g., 24 Nos.; steam turbines, 34, 45, 48/50 h.p., speed 2900 r.p.m., 12 Nos. Import license No. A. 587470/61/AU-DW/CCI/HQ/RM. Ref. No. 65(270)/63-AID(1). Loan No. 217. U.S. source. Quotations desired by October 27. Ms. Textile Machinery Corp., Ltd., P.O. Belgharia, 24 Parganas, W. Bengal, Cable, TEXMACO, Calcutta. SBC-383.

IRAN—Diesel powered engines (power packs) for operation of subsurface water-pumps; 20 to 150 h.p. Direct purchase exclusive agency. Morteza Akbarzadeh, Kuche Saqafi, Khiaban Chahar Bagh, Isfahan. WTD 8/26/63.

PAKISTAN—Steam turbines for use in power houses. Direct purchase and agency. Globe Industries, (importer, commission merchant), National House, 47, The Mall, Lahore. Cable, GLORIOUS. WTD 9/16/63.

Diesel engine generating sets 50 to 500 h.p.; vertical engine 5 to 500 h.p. Direct purchase and agency. Globe Industries, (importing distributor, commission merchant), National House, 47, The Mall, Lahore. WTD 9/16/63.

● **PORTUGAL**—Furnish and install, steam generator with furnace which operates with pulverized coal or oil, to produce 210 tons steam per hr., and one 50 mw turbo-generator, a 62.5 mva transformer, switchboard, auxiliary electrical equipment. Bid deadline December 15. Specifications may be obtained from Empresa Termoelectrica Portuguesa, S.A.R.L., Rua do Bolhao, 72-3°, Oporto, Portugal for $17.50 plus postage. IBRD may finance this project.

353 Construction Machinery

● **BURMA**—Concrete vibrators (a) diesel engine, 25; (b) 220/230 volt, single ph, 50 cycle electric, 50; heavy duty concrete vibrators (a) 3½ hp. air cooled diesel engine at 1800 rpm. 10; (b) 3hp 400/440V-3ph, 50 cycle, electric 15. Tender No. NIV/4/G-3 (63-64) bid deadline October 24.

● Concrete mixers, tilt type, diesel engine, mounted on 4 steel wheels: 20-2 cu. ft.; 40-3 cu. ft.; 20-3½ cu. ft. and 20-5 cu. ft. Tender No. NIV/1/G-3(63-64) bid deadline October 24.

Method of payment through the Burmese Embassy, Washington, D.C. The Chairman, Civil Stores Committee (1) St. Johns Rd., Rangoon.★ (Telephone: 202-WO 7-5566).

■ **INDIA**—Coal handling equipment, materials, foundations, structures comprising a complete system for receipt of run-of-mine coal, transport to a breaker for coal sizing and removal of rejects, delivery of the crushed coal to the Talchar Thermal Power Station, stocking out and/or loading plant bunkers and for reclaiming coal from the yard storage. The system at the mine should be designed to deliver 500 mt. per hr. to a 550 mt. per hr. breaker; associated rejects sized to deliver 100 tons per hr. to the rejects pile; coal transport system from mine to plant bunkers, including stockout and reclaim, designed to handle and deliver crushed coal at rate of 800 mt. per hr. Loan No. 386-A-044. U.S. source. Bid deadline November 12. Tender No. Project/3172-P/Talchar/VA. Tender fee, not refundable, $77.70 each. Ref. No. D/ENQ/769. Director General of Supplies and Disposals, National Insurance Bldg., Parliament St., New Delhi. Cable, DEVSUP, New Delhi. Detailed specifications may be obtained from the India Supply Mission, 2536 Massachusetts Ave., NW., Washington, D.C., 20008. SBC-391.

PAKISTAN—Percussion and rotary rigs. Direct purchase and agency. Globe Industries, (importing distributor, commission merchant),

National House, 47, The Mall, Lahore. WTD 9/16/63.

Road machinery, heavy construction equipment, such as graders, bulldozers, scrapers, tractors, trailers, vibrators, concrete mixers, electrical and mechanical hoists, lifts, conveyors, tar boilers, road rollers, batching plants, mixing plants, pavers, pneumatic rollers. Direct purchase and agency. Globe Industries, (importer, distributor, commission merchant), National House, 47, The Mall, Lahore. WTD 9/16/63.

354 Metalworking Machinery

AUSTRALIA—Cold saws for cutting steel billets and bars, with 36-inch rotary blades containing inserted cutters such as Firth-Sto segments. Will require one or two saws annually. Prices should be stated ex factory, plus shipping costs to nearest port. Mr. H. M. Cooper, Sales Director, Alfred Herbert, (Australasia), Pty., Ltd., (importer), Booth & Taylor St., Annandale, N.S.W.

■ **BOLIVIA**—Liddicoat bits, type 92 for 1" QO, steel, 385,000 pcs.; type 93 for ⅞" Rex steel. Loan No. 511-L-014. U.S. source. Bid deadline October 22. Invitation No. 16. Corporacion Minera de Boliva, Casilla 349, La Paz. Cable, COMIBOL, La Paz. Detailed specifications, special instructions, conditions, and bid forms may be obtained from the Embassy of Bolivia, 1145-19th St., NW., Washington, D.C., Attn: Dr. Salcedo. SBC-388.

● **BURMA**—A supply of gages, micrometers, other measuring tools. Tender Nos. GH/12/G-II/63-64, GH/13/G-II/63-64, GH/14/G-II (63-64), GH/15/G-II (63-64). Bid deadlines October 21 and 22. The Chairman, Civil Stores Committee (1), St. John's Rd., Rangoon.★ (Telephone: 202-WOrth 7-2723).

FRANCE—Machine tools, all kinds. Dufour Pere & Fils, (manufacturer, importer, dealer), 11 rue Neuve de Villiers, Lavallois-Perret, Seine. WTD 8/8/63.

INDIA—Hydraulic jacks, diesel fuel injection equipment, test bench calibrating equipment. Cosmo Trading Corp., (importer), 27 Pushpavihar Bldg. No. 1, 159 Colaba Rd., Bombay 5.

■ Fully automatic drill flute grinding machine, suitable for use with high speed steel, to accommodate drills ⅛" to ½" in dia. and up to 18" in length, complete with attachments, accessories, tools, electrics; grinding machines for clearances on drills, 3/16" to ⅝" in dia. and up to 20" in length, complete; oil mist filtering units, suitable to clean 600 cu. ft. per min., complete. Reference No. 20(31)/63-AID-II. Import licence No. 978027/DLF-157/62/HQ/CGI. Loan No. 157. U.S. source. Quotations desired by November 5. The Indian Tool Mfgrs., Ltd., 101 Sion Rd., Sion, Bombay 22. Cable, ITOOLS, Bombay Sion. SBC-387.

■ American right angle gearheads for driving vertical turbine pumps, 13 h.p. at 1440 r.p.m., same but 22 h.p., down thrust capacity 3300 lb., 30 h.p., dt. 3900 lb., 40 h.p., 4700 lb., 95 h.p., 7300. Gearheads complete with a flexible shaft stock length 48" dynamically balanced and fitted with standard coupling at one end, suitable for the horizontal shaft of gearheads and special large rough bored coupling at other end complete. Reference No. 65(6)/63-AID(L). Import license No. 596047/61/AU-DW/CCI/HQ/RM. Loan No. 217. U.S. source. Quotation date October 31. Jyoti, Ltd., Baroda 3. Cable, JYOTIPUMPS. SBC-387.

■ 2200/300 ton horizontal self contained, direct type, oil hydraulic extrusion press; 1800 kw, electric induction billet heating furnace; 100,000 lb. pull drawbench for tube and rod; bright annealing furnace, electrically heated; travel-cut automatic wire straightening and cutting machine; rotary straightener for copper and brass tubing; roll straightener for copper and brass shapes; portable boring bar 4" dia. x 6'0" long, complete with four standard cutterheads and expansion centering device; rotary pointer for copper and brass tubing and rod, 2; 24", 10-speed band saw; saws for copper and brass tubing, 6.250" and 1.812 o.d., 5-ton forklift truck; 8" & 10" copper liners, 24 each. Reference No. 41(502)/62/HQ/CG.IV. Loan No. 157. U.S. source. Quotations desired by November 15. Multimetals, Ltd., 38 Strand Rd., Calcutta 1. Quotations, in duplicate, should be addressed to Revere Copper & Brass, Inc., 230 Park Ave., New York, N.Y.★ SBC-386.

PAKISTAN—Tools, equipment for automobile, railway workshops. Direct purchase and agency. Globe Industries, (importer, distributor, commission merchant), National House, 47, The Mall, Lahore. Cable, GLORIOUS. WTD 9/16/63.

Automotive maintenance equipment: air compressors, oiling, greasing machine, lift, jack, hoist; available current 200/220 v, 50 cycles a.c. Direct purchase and agency. International Business Corp., (importing distributor, commission merchant), 59, Dinga Singh Bldg., Beadon Rd., Lahore. WTD 9/18/63.

TRINIDAD—All types of machinery for automobile maintenance: i.e. brake lining, bonding, removing and testing machines. Tropical Tyres, Ltd., (importer, manufacturer), 20 Tragarete Rd., Port of Spain. WTD 9/18/63.

355 Special Industry Machinery

AUSTRALIA—Machinery for making of handles for tools. Mr. Hyman Don, Don Industries, Ltd., 2 Salisbury St., N. Auburn, Sydney. WTD 3/15/63.

ECUADOR—Plastics-working machinery and equipment; rubber processing machines and equipment for the manufacture of 4 to 8 in. dolls; requests proposals cif Guayaquil, accompanied by catalogs, or other illustrated material; requests replies in Spanish. Alejandro Santos M., P.O. box 337, Quito.

FRANCE—Canning machines; requests replies in French. Ets. Pien & B. Glasson, (manufacturer), Beuvillers, near Lisieux (Calvados). WTD 9/11/63.

GERMANY—Knitting machines for hosiery, circular; knitting machines for items other than hosiery; looms; textile dyeing and finishing machinery; miscellaneous textile machinery. Wilhelm Reutter (manufacturer's representative), 714 Ludwigsburg, Richard-Wagner Strasse 7. WTD 4/23/62.

■ **INDIA**—Glass forming machine, individual section type for manufacturing penicillin vials and bottles from ½ oz. to 5 oz., wgt. range on single and double gob at speeds ranging from 80 to 140 per min., complete with conveyor, ware transfer, automatic lubrication, fixtures, mold gauges and spare parts; oil fired glass feeder for feeding glass gobs to machine; automatic temperature control equipment for same. Import license No. 978138/DLF.157/62/HQ/CG-IV. Reference No. 13(7)/63-AID-II. Loan No. 157. U.S. source. Quotations desired by October 28. Hindustan National Glass Manufacturing Co., Ltd., 2, Wellesley Pl., Calcutta 1. SBC-383.

■ Brown & Sharpe model No. 00 or equal, single spindle screw machine, with standard equipment and attachments; sliding head stock Swiss type single spindle automatic screw machines, complete; hydraulic horizontal thermo plastic injection moulding machines, 2, complete with motors and control gear; spark erosion machine for producing intricate shapes for tungsten carbide and hardened steel, accessories, electrical equipment, 'Profile' and form grinding machine; jig boring machine; automatic tracer controlled milling machine; ar 33 set testing equipment for enamelled copper wire, with equipment and accessories; wire flattening mill suitable for making copper conductors, to special conditions. Reference No. LA. 383-A/Con/63-17520. Loan No. 386-H-082. Bid deadline October 21. Messrs. Jaipur Metals and Electricals, Ltd., near Railway Station, Jaipur, Rajasthan.★ SBC-383.

■ Machinery for the manufacture of safety razors, hot brass stamping press for stamping razor parts, die casting machines, automat machines, 2 Nos. each. Loan No. 157. U.S. source. IL No. 995350/DLF.157/60-CG. Ref. No. 41(336)/62-AID-II. Quotation deadline October 29. Harbans Lal Malhotra & Sons, Pvt., Ltd., 18 Netaji Subhas Rd., Calcutta. SBC 388.

■ A.E.F. tube plant consisting of automatic strip peel for uncoiling the steel strip coils, tube-forming unit, welding unit, straightening and sizing unit, automatic cut-off unit, and regulator to serve a power pack for the rotary welding unit; capacity 250 tons per mon. Loan No. 157. Ref. No. 20(38)63-AID-II. IL No. 978045/DLF-157/62. Quotation deadline November 10. Cif Bombay, Surrendra Sales, (Bombay), Pvt., Ltd., 24 Baroda St., Bombay 9. SBC-391.

ITALY—Filling machines for glass and plastic bottles; automatic wrapping and packaging machinery for bottles and cups; packaging machinery for cigarettes, ice cream, pastries, bolts, tools; stitching and nailing machines for cartons, boxes. Direct purchase and agency. Pacoma, s.p.a., (manufacturer's agent), Corso di Porta Nuova 13, Milan. WTD 1/19/63.

■ **ISRAEL**—Plant for the manufacture of fruit and vegetable products. Loan No. 183. U.S. source. S/A No. 183/295. Government of Israel Supply Mission, 850 Third Ave., New York, N.Y., Attn: Mr. N. Nisen. Full details are available from Milout, Ltd., P.O. box 195, Haifa, Israel. Tenders should refer to S/A No. and be prepared on the basis of fas U.S. port of exit. Delivery date is open. Prices should be itemized and both trade and cash discounts shown. Suppliers may devise their own forms for submitting tenders in duplicate to the buyer. SBC-388.

VIETNAM—Pineapple processing, canning machinery. Direct purchase and agency. Cogema (Vietnam), (importer, dealer), 406 Trinh Minh The, Saigon. WTD 8/29/63.

356 General Industrial Machinery

● **BURMA**—Spray guns, gravity feed, 8 oz. cap., quantity 100; ½ pint cap., 100; 1 pint cap., 130; spray guns, suction feed, ½ pint cap., quantity 90; 1 pint cap., 90; 1 qt. cap., 120; spray gun combination with air transformer, air hose and fittings, ½ pint cap., quantity 90; 1 pint cap., 90; 1 qt. cap., 120; spraying compressors, 120 lb./sq. in.; 220-230 v. single phase, 100 sets, same with gasoline engine drive, 50 sets. Tender No. GH/G-11 (63-64), bid deadline October 28. The Chairman, Civil Stores Committee (1), St. John's Rd., Rangoon.★ (Telephone: 202-WO 7-5589).

● Air Compressors, 100 electric motor driven

and 40 diesel engine driven, different capacities; tender no. NIV/3/G-3(63-64), bid deadline October 24. Payment through Burmese Embassy, Washington, D.C. The Chairman, Civil Stores Committee (1), St. John's Rd., Rangoon.★ (Telephone. 202-WO 7-5589).

ENGLAND—Centrifugal or other types of hydraulic equipment, particularly pumps for chemical and process plant. Direct purchase and agency. Rowlen and Co., Ltd., (importer, sales agent), 35 Ballards Lane, London, N.3. WTD 8/21/63.

● **GREECE**—Four (4) deep well turbine pumps, two of 20m³/hr capacity, two of 40m³/hr capacity, pump column 250 m. in length. Diesel engines to provide about 1900-2000 r.p.m. at the turbine shaft. Tender No. 310, bid deadline, November 1. Ministry of Agriculture, General Directorate of Agriculture, Land Reclamation Service, 60 Kolokotroni St., Athens.★ (Telephone: 202-WO 7-5589).

■ **INDIA**—Corrosion resistant pump seals, one in. or 25.4 mm. dia., similar to type 2, code bpici dwg. F-SP-2014 of Crane Packing Co.; schaffer diaphragm type or similar, corrosion resistant pressure gauges, range to 100 lb. per sq. in.; chemical resistant pump units, complete; controls and accessories for corrosion resistant cabinets; fused silica or quartz, lead or titanium sheathed immersion heaters. Reference No. 65(72)62-AID(1). Import license No. A. 593387/61/AU/DW/CCI/HQ/RM. Loan No. 217. U.S. source. Quotations desired by October 30. Ronuk Industries, Ltd., 11-A Abdul Gaffer Khan Rd., Worli Se Face, Bombay 18.★ SBC-387.

■ Equipment for monosodium glutamate plant, including two jacketted, agitated, vertical glass lined cylindrical reaction kettle with bottom discharge, complete with glass lined refluxing condensers. 300 gal. capacity; screw type pumps and parts, 4, glass lined valves, 4, size 4″, with rubber diaphragm, size 2″ with rubber diaphragm, 12. Reference No. 4(123)/62-AID-II. Import license No. 990179/DLF-157/HQ/61/CCI/CG.III. Bid quotation date October 28. The Anil Starch Products, Ltd., Anil Rd., Ahmedabad 2.★

■ High power vertical spindle rotary surface grinder, complete with spindle motors and controls; standard neutpofier to supply direct current for magnetic chuck for self-contained demagnetizer; 6″ extended column and waterguards to give 15″ vertical range under new 20″ cylinder wheels; continuous reading caliper attachment; 20″ diamond wheel adapter, special 46″ to enable 42″ dia. wheels, 22″ Cortland type segment chuck. Ref. No. 41(551)/61-AID-II. IL#AU/GL/MTC/29/DLF/361. Grindwell Abrasives, Ltd., Army & Navy Bldg., Mahatma Gandhi Rd., Bombay 1. Quotation date October 20.

Both the above are for loan No. 157. U.S. source. SBC-386.

■ Cold ball header capable of producing rough balls 9/16″ to 1″ in dia., complete with electrical equipment, controls and switchgears, bolster, wire feeder, and with various toolings and hydraulic wire straightener, wire reels, motors, motor pump. Loan No. 386-H-066. Ref. No. 30(16)F. E/63. IL No. 978287/DLF-Loan/62.HQ/CGI. U.S. source. Quotation deadline October 25. National Engineering Inds., Ltd., Khatipura Rd., Jaipur (Raj.). Quotations to be submitted to American East India Corp., 25 Broadway, New York, N.Y. SBC-390.

■ Ambassador, or equal, rear bearing No. 162247, 6,000 pcs. Ref. No. 65(255)/62-AID (1). IL No. A.587454/61/AU-DW/CCI/HQ/RM/L-II(E). Loan No. 217. U.S. source. Quotation deadline November 10. Hindustan Motors, Ltd., Uttarpara, Hooghly. Cable, HINDMOTOR, Uttarpara. SBC-391.

IRAN—Subsurface water pumps of 14 hp. and above; gasoline or diesel powered engines, either as combined or separate unit. Iran Trading Co., (Bazargani Iran), (importer, wholesaler, retailer), Khiaban Pahlavi, Passage Pars, Shiraz. WTD 9/9/63.

ITALY—Sea water desalinization plant, equipment; requests brochures and cif prices. Dr. Antonio Perrone, Assessore d'Igiene, Provincia Regionale di Messina, via La Farina Isol. 105, Messina, Sicily.

KUWAIT—Deep-well submersible pumps—astm/asm/nema; specifications required. Mohammed Yousif al Nisf, (general merchant, contractor), P.O. box 871, Kuwait. WTD 6/20/63.

NETHERLANDS—Small diaphragm air compressors with a 220 v., 60 cycle electric motor, direct or v-belt driven; the firm wants to import the units without motor; requests replies from manufacturers only. Fabriek Van Spuittechnische Artikelen, (manufacturer), Postbus 221, Utrecht.

PAKISTAN—Air compressors, pneumatic tools: compressors up to 2000 lb. pressure; tools: drills, twists, rigs, riveting machine; water supply, sewage treatment plant. Direct purchase and agency. Globe Industries, (importing distributor, commission merchant), National House, 47, The Mall, Lahore. WTD 9/16/63.

357 Office, Computing, Accounting Machines

■ **BOLIVIA**—Duplicators, hectograph No. 23, legal size 9, ½″ x 15″, 900 each; chalkboards, green surface abvid 4′ x 8′, 800 each; miscellaneous items, such as pliers, saws, shovels, blades, spoons, knives, 15 items; boxes, paper, carbon hectograph, 90; crayons, crayrite wax, 8 colors, 500 cases; chalk, soft white, 900 ea., cardboard, fine white, 18 reams. Invitation No. MOE-00018-A-RE-63. PIO/C No. 511N64AF-9-30304. Limited worldwide (901). Bid deadline October 24. Ministry of National Economy, 1492 Camacho Ave., La Paz. Cable, MINECONOMIA, La Paz. Copies of detailed specifications, special instructions, bid forms may be obtained from the Embassy of Bolivia, 1145-19th St., NW., Washington, D.C., Attn: Dr. Salcedo. SBC-393.

GABON—Manual, mechanical punch card system with max. capacity of approx. 100,000 cards; an electronic device is not desired; requests replies in French. USAID Mission/Gabon, c/o American Embassy, B.P. 185, Libreville.

■ **INDIA**—General purpose electronic analog computer, stabilized dc amplifiers with dc gain of at least 50 x 10^6 and phase shift of unity gain inverter less than 0.5 degree at 1 kc., drift of unity integrator less than 0.1 mv/sec. At least 20 amplifiers with 10 of them capable of being operated as integrators. Non-linear units required are two quarter square multipliers and one diode function generator. Power supply 220 v., 50 cycles, single phase. 3400 analog computer, 3430 problem board, systron donner or equal. Inquiry No. 521. Requisition No. 1055, EE257. Bid deadline November 1. Limited worldwide (898). Educational Services, Inc., Kanpur Indo-American Program, 164 Main St., Watertown, Mass., Attn: Mr. Robert E. Johnson, Purchasing Agent.★ SBC-390.

● **NEW ZEALAND**—Analogue computer equipment: One set for block adjustment of aerial triangulation of 6 x 6 sections (Jerie or equivalent); 1 set for hgt. adjustment with capacity for 72 stereo models (Jerie or equivalent). Tender SMQ-1134, bid deadline October 22. Stores Manager, Ministry of Works, P.O. box 8024, Wellington. Specifications available from New Zealand Senior Trade Commissioner, 1145 19th St. NW., Washington, D.C. (Telephone: 202-Federal 8-8820).

358 Service Industry Machinery

■ **CONGO**—Room air conditioner 220/230 v., 50 cycles, 1 or 1½ hp. max., with automatic thermostat, fresh air intake, 5-yr. warranty, if possible, value of air conditioners, $5,000, parts, $800. Quota No. 1292/01/AID-1/115. PA#660-000-355-3206. U.S. source. Quotations desired by October 28. Socomet, B.P. 2800, Leopoldville. Cable, SOCOMET, Leopoldville. SBC-393.

■ **JAMAICA**—Refrigerators, liquid nitrogen cooled, for storing frozen semen, INR-35 and INR25, 3 each; shipping containers, liquid nitrogen cooled, 4 LD-25 with canisters, for shipping frozen semen; shipping containers 6 LD-10, with canisters; frozen bovine semen from recognized proven bulls, 100 ampules. PIO No. 532-A-19-AA-9-30041. U.S. source. Quotation deadline October 24. Ref. No. G6/Various 3739. D. Simpson, (G6/Various 3739), 4 Milbank, London SW.1, on behalf of the Crown Agents for Oversea Governments and Administrations, 3100 Massachusetts Ave., NW., Washington, D.C. SBC-393.

JAPAN—All types of automatic merchandising machines. Direct purchase and agency. Requests replies with catalogues and cif prices Japan. Universal Trading Co., Ltd., Meiten Ichigo Bldg., 25, Tenma-cho, Hamamatsu City, Shizuoka Prefecture. WTD 9/63.

KUWAIT—Refrigerators, room air-conditioners. Direct purchase and agency. Gharabally Bros., (general merchant, contractor), P.O. box 456, Kuwait. WTD 9/11/63.

NEW ZEALAND—Combination bread cutter and butter spreading unit, automatic. Direct purchase and agency. Earl W. Adams, Gollin and Co., Ltd., (importer, exporter, merchant), P.O. box 793, Wellington, C.1. WTD 6/24/63.

PAKISTAN—Window type air conditioner units for industrial purposes. Direct purchase and agency. Globe Industries, (importing distributor, commission merchant), National House, 47, The Mall, Lahore. WTD 9/16/63.

● One central packaged air conditioner, 120-000 btu capacity, installed with ductwork at Puranbazar, East Pakistan; tender No. Pur. 23-25/63/502, bid deadline October 28. Mr. F. Rizwi, Purchase Coordinating Officer, T & T Dte. General, Block No. 48-A, Government Offices, Shahrah-e-Iraq, Karachi. Tenders are available for $1.05 from Consulate General of Pakistan, 12 E. 65th St., New York, N.Y. (Telephone: TR 9-5800 or 202-WO 7-5589).

361 Electric Transmission, Distribution Equipment

FRANCE—Electrical control and measuring apparatuses; requests replies in French. Direct purchase and agency. Eugene Bouscarel (agent), 42 rue Leo Lagrange, Toulouse (Haut Garonne).

■ **INDIA**—66 kv switchgear equipment, such as circuit breaker with current transformers, 2 potential transformers and 3 lightning arresters, control panel for 66 kv circuit breaker,

7,000 k.g. 2½" outside dia. copper tube, 6 directional overload relays; 7 kwh meter, kvah meters with max. demand indicators. Reference No. 13(22)/63-AID-II. Import license No. 977892/DLF.157/62/HQ/CG.IV. Loan No. 157. U.S. source. Quotation date November 6. Alembic Glass Industries, Ltd., Post: Chemical Industries, Baroda 3. SBC-387.

■ Power transmission roller chains with connecting and offset links, two each connecting and offset links for every three metres of chain, chain having 1" pitch and average ultimate strength of 14,500 lb., 150 rft., connecting and offset links, for same, 30 Nos. each; 2" pitch chain, strength of 58,000 lb., 400 rft., connecting and offset links, 80 Nos. each. Import license No. A-587812/61/AU-DW/CCI/HQ/RM/L.II(E). Reference No. 65(289)/62-AID(1). Loan No. 217. U.S. source. Quotations desired by October 20. M/s. Walchandnagar Industries, Ltd., Construction House, Ballard Estate, Bombay 1. Cable. WALSAKAHR, WALCHANDNAGAR. SBC-383.

● **IRAQ**—Supply of 1,000 single pole, 200 amp. disconnecting switches mounted on brown glazed insulators. Tender No. 22, bid deadlines October 27. Directorate General of Municipalities, Ministry of Municipalities, Baghdad.★ (Telephone: 202-WOrth 7-4242).

KUWAIT—Electrical measuring instruments: Current available: 250 v. cycle single phase a.c. Direct purchase and agency. Gharabally Bros., (general merchant, contractor), P.O. box 456, Kuwait. WTD 9/11/63.

PAKISTAN—Electric testing and measuring instruments. Direct purchase and agency. Globe Industries, (importing distributor, commission merchant), National House, 47, The Mall, Lahore. WTD 9/16/63.

Electric power transmission equipment for urban area: electric poles, tubular poles, all aluminum and acsr conductors, for h.t. and l.t.; underground cables for h.t. and l.t.; transformers above 75 kva; h.t. and l.t. switch gears; overhead transmission line material, including insulators, feeders, brackets; substation equipment, such as testing ammeters, voltmeters, electric indicators. Direct purchase and agency. Globe Industries, (importer, distributor, commission merchant), National House 47, The Mall, Lahore. Cable, GLORIOUS. WTD 9/16/63.

● **TRINIDAD**—Supply of one 66/33 kv, 25,000 kva power transformer. Tender No. 758, bid deadline November 29. Trinidad and Tobago Electricity Commission, 63 Frederick St., (P.O. box 121, Port of Spain), Trinidad.★ (Telephone: 202-WOrth 7-4242).

● **TUNISIA**—Supply of transformers and related equipment for the Metlaoui substation. Bid deadline November 20. Societe Tunisienne de Electricite et du Gaz 38, rue de Besancon, Tunis.★ (Telephone: 202-WOrth 7-4242).

362 Electrical Industrial Apparatus

ENGLAND—Industrial Controls. Direct purchase and agency. Elcontrol, Ltd., (manufacturer), 42 Wilbury Way, Hitchin, Hertfordshire. WTD 8/20/63.

FRANCE—Electrical control and measuring apparatuses; requests replies in French. Direct purchase and agency. Eugene Bouscarel, (agent), 42 rue Leo Lagrange, Toulouse (Haute Garonne).

■ **INDIA**—High speed dispersion equipment with 25 hp. explosion proof motor, 440 v., 3 phase, 50 cycle, and explosion proof starter and switch 2 Nos.; spare parts for same. Attritors, 1 each, #1-S pilot lab size, #30-S, #100-SC industrial type, each including flameproof motor, starter and switch with overload tripping device; suitable for use with 400/440 v. a.c., 3 phase, 50 cycles, preferably with low amperage starting device. Hydraulic footlift trucks, multiple stroke platform type, capacity 4000 lb., platform 18" wide x 54" long, lift 4", lowered hgt. 6", steel wheels, roller bearing, approx. wgt. 460 lb., approx. cube 21, 6 Nos.; spares for same. 5 hp. motor, 1500 rpm, 3/50/440 v. 55°C rise type gzz, explosion proof with complete factory assembled starter with non-fusable combination starter, 8 Nos. One gun Phosteem unit complete with 2 Nos. pressure tanks, pipe fittings, air, water connections, 1 set. Cif Madras. Loan No. 157. U.S. source. Quotation deadline October 29. IL No. 978385/DLF/157/62/HQ/CG.III. Ref. No. 13(12)/63-AID-II. Addisons Paints & Chemicals, Ltd., Hazur Gardens, Sembiam, Madras 11.★. SBC-388.

■ Furnaces with refractories; electrical furnaces with control instruments and accessories and spares; press with takeout equipment and accessories and assemblies; oil fire system with spares and accessories; instruments for automatic control; automatic glass and glass wool handling equipment with conveyors, cylinders, loaders, spares, accessories. Reference No. 4(192)/62-AID-II. Import license No. 978541/DLF.157/62/HQ/CG.IV. Loan No. 157. U.S. source. Bid deadline October 20. M/s. The General Glass Products Manufacturing Co., Behind Jain Temple, Navarangpura, Ahmedabad 9. SBC-383.

■ Large flat faced back-up welding electrodes, No. 2 Morse taper, Mallory part 16-3020 or equal, face dia. 1", 50 Nos.; standard cap type electrodes, shanks, No. 2 Morse taper, type "A" shanks, Mallory parts or equal, 16-214024-7 and -3, 200 Nos. each; part 19-214024-7, 100 Nos.; part 19-214024-5, 50 Nos.; part 16-214024-5, 50 Nos.; female taper caps for type "A" shanks, Mallory parts, or equal, 16-213002, 2000 Nos.; 16-213001, 500 Nos.; 16-213003, 500 Nos. Loan No. 217. U.S. source. Quotation deadline November 10. Fas port of exit. IL No. A-588277/61/AU-DW/CCI/HQ/RM. Ref. No. 65(331)/63-AID(I)(IV). Mahindra & Mahindra, Ltd., Gateway Bldg., Apollo Bunder, Bombay 1. Cable, JEEPS, Bombay. SBC-391.

■ **INDONESIA**—Vulcanizing equipments, 2 each, 220 v., 50 cycle, for 1,200 mm., with conveyor belt, including raw material, canvas, rubber glue, for 100 connectings. Invitation No. 497-24. Subject to special conditions. Loan No. 497-K-013. U.S. source. Bid deadline October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y. SBC-389.

■ Welding electrodes, size 3.25 x 350 mm., 4 x 350 mm., 134,338 mt. each. Invitation No. 497-171.

■ Kjellberg welding rods, type o.k. No. 44, similar to Phillips 48 & 68 Smit Supra, size 3.25 x 350 mm., 4,900 kg. Invitation No. 497-193.

Both the above are subject to special conditions and are for loan No. 497-K-013. U.S. source. Bid deadline October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y. SBC-389.

● **PAKISTAN**—Supply of sixteen 50-cycle, a.c. motors rated 6.5 hp. and under. Tender No. S-10/253 (63-64), bid deadline October 23. The Director of Supply, Government of East Pakistan, EPIDC House, Motijheel Dacca 2.★ (Telephone: 202-WOrth 7-4242).

363 Household Appliances

AUSTRALIA—Household electrical appliances, such as small toasters and hair dryers. Mr. J. F. Chapman, Director, Union Textiles, Pty., Ltd., (importer, distributor), 275 Clarence St., Sydney.

PAKISTAN—Electric household appliances, such as washing machines, kettles, coffee percolators, mixers, irons, boilers, toasters, cooking ranges, stoves, heaters. Direct purchase and agency. International Business Corp., (importer, distributor, commission merchant), 59 Dinga Singh Bldg., Beadon Rd., Lahore. Cable, INBUSCO. WTD 9/18/63.

SWITZERLAND—Household appliances, all types. K. W. Schwarz (importing agency), St. Peterstrasse 1, Zurich 22. WTD 4/1/63.

365 Radio, Television Receiving Sets

FRANCE—Radio sets, transistors; requests replies in French. Direct purchase and agency. Societe Nouvelec, (importer, dealer), 77 ave de la Liberation, Laxou-Nancy (Meurthe & Moselle).

SWEDEN—Magnetic recording tape; requests replies from manufacturers only. Vector Maskin AB, Kungsgatan 18, Stockholm C. WTD 12/17/62.

366 Communication Equipment

● **AUSTRALIA**—Supply, delivery of equipment required for multi-channel carrier telephone systems using coaxial cable or wideband radio carrier. Schedule No. C9283, bid deadline November 26. The Controller, Stores and Contracts, Postmaster-General's Dept., 114 Russell St., Melbourne.★ (Telephone: 202-WO 7-4823).

ENGLAND—Burglar, Fire Alarms. Burgot Group, Burgot House, Enford St., London, W.1. WTD 8/20/63.

FRANCE—Electrical road signs; requests replies in French. Direct purchase and agency. Eugene Bouscarel, (agent), 42 rue Leo Lagrange, Toulouse (Haute Garonne).

● **GREECE**—Supply of 100 control devices for telephone call meters. Tender No. 6245, bid deadline November 13. Est. cost $120,000. Hellenic Telecommunications Organization, Supply Committee, 20 Patission St., Athens.★ (Telephone: 202-WO 7-4823).

KUWAIT—Telephone exchange equipment. Direct purchase and agency. Gharabally Bros., (general merchant, contractor), P.O. box 456, Kuwait. WTD 9/11/63.

367 Electronic Components, Accessories

■ **INDIA**—Electron microscope, resolution 40A°, magnification 12000x, Phillips EM75E, type 11981, or equal; special accessories including metal projection chamber with plate cassette and binocular viewer. Inquiry No. 515. Requisition No. 1052 MetE/27. Bid deadline October 27. Educational Services, Inc., Kanpur Indo-American Program, Mr. Robert E. Johnson, Purchasing Agent, 164 Main St., Watertown, Mass.★ SBC-390.

■ Automatic high vacuum evaporator, #VE-401 vacuum electronics, or equal, for use at the Indian Institute of Technology, Kanpur. Inquiry No. 523. Requisition No. 1054 Ch. E./61/63. Limited worldwide (898). Quotation deadline October 28. Educational Services,

Inc., Kanpur Indo-American Program, attn: Mr. Robert E. Johnson, Purchasing Agent, 164 Main St., Watertown, Mass.★ SBC-393.

369 Machinery, Equipment, Supplies

VENEZUELA—Electro-therapeutic apparatus, electro-medical treatment apparatus. Tecnomed—J. Trapp, C.A., (importer, distributor), Apartado (P.O. box 10489), Caracas, Sur 21, No. 11, Caracas. WTD 9/12/63.

371 Motor Vehicles, Motor Vehicle Equipment

■ **BOLIVIA**—Model 6-230, or equal, 4 x 4 Willys station wagon, 4-wheel drive, Chevrolet 4-wheel drive carry-all model K-2504/1963, 5 each, ¾, 1 ton; Chevrolet trucks, model C-5309/1963, 2 each. Invitation No. MOE-00018-B-RE-63. PIO/C No. 511N64 AF-9-30304. Limited worldwide (901). Bid deadline October 24. Ministry of National Economy, 1492 Camacho Ave., La Paz. Copies of detailed specifications, special instructions, bid forms may be obtained from the Embassy of Bolivia, 1145 19th St, NW., Washington, D.C., Attn: Dr. Salcedo. SBC-393.

■ **INDIA**—Vehicle parts, Bedford J 4; Forgo Diesel, five-speed; Mercedes Benz type L 312; Willys Jeep ¼ ton, 4x4 model CJ 3 B; Dodge 3 ton, 4x2 model, T 110 L; all, on "or equal basis." Various part numbers, descriptions, large quantities. Import license No. 046771. Reference No. 60(116)/63-AID(1)/082. Loan No. 386-H-082. U.S. source. Quotation date October 27. Anand Sales Corp., 362 Vithalbhai Patel Rd., Bombay 4. Cable, ANANDSALES, Bombay 4.★ SBC-383.

■ **INDONESIA**—Bicycle tire valves, dismounted brass nickle plated with cap., Dunlop model, 1 lot, 955,000 pcs., packed in cases of 5000 pcs., Invitation No. 497-218. Loan No. 497-K-013. U.S. source. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y. SBC-389.

■ Spare parts for Ford Canada Truck/Passenger cars 1952. Long list, 79 items, various part numbers, descriptions. Invitation No. 497-231. Loan No. 497-K-013. To special conditions. U.S. source. Bid deadline October 28. Indonesian Supply Mission, 5 E. 68th St., New York, N.Y.★ SBC-389.

● **IRAQ**—Crankshaft grinding machine, brake relining machine—heavy duty, brake drum turning and grinding machine, one each. Bid deadline October 30, tender No. Tawzee/42/1963. Administration of Distribution of Oil Products, Ministry of Oil, Baghdad.★ Copies of tender available from above authority against payment of 101 ($2.80) per copy plus $0.75 in mailing charges. (Telephone: 202-WOrth 7-3294).

PAKISTAN—Automotive parts. Direct purchase and agency. International Business Corp., (importer, distributor, commission merchant), 59 Dinga Singh Bldg., Beadon Rd., Lahore. Cable, INBUSCO. WTD 9/18/63.

THAILAND—Used military motor vehicles in good mechanical condition, particularly jeeps. Leelar Panich Co., Ltd., (importer, wholesaler, retailer), 1049-1053 Paholyothin Rd., Bangkok. WTD 8/26/63.

TRINIDAD—Automobile replacement parts, accessories. Tropical Tyres, Ltd., (importer, manufacturer), 20 Tragarete Rd., Port of Spain. WTD 9/18/63.

■ **TURKEY**—Various automotive engines, 3¼, 1 head, 6 cylinder, bore and stroke 3.25 x 4.625, piston displacement 230.2, taxable h.p. 25.35, rated b.h.p. gross 120-3600, net 109-3600, $6,150. Import license No. 143552. PA#277-700-901-356-3227. Quotations desired by October 28. Oto Garanti Redai Erkli ve Ortagi, Ticaret Kollektif Sirketi, Nobethane Caddesi, Fertek Han 1/7, Istanbul.★ SBC-393.

372 Aircraft, Parts

■ **AFGHANISTAN**—Convair liner model 340, model 340/440 or model 440, 44 passenger pressurized commercial transport airplanes, 2. Bid deadline October 19. Part I. Aircraft spare parts, including power packs, engines, accessories, materials, equipment necessary to support two Convair 340/440 aircraft. Bid deadline October 31. Part II. Arians Afghan Airlines Co., Ltd., Kabul, through its agent, Pan American World Airways, Inc., New York, N.Y. Interested suppliers should communicate with the Purchasing Mgr., Pan Am Bldg., New York, N.Y., for full particulars, including list of commodities to be procurred, delivery dates.★ SBC-395.

374 Railroad Equipment

■ **INDIA**—Diesel locomotives, 2, suitable for 24" gauge, hauling capacity 150 to 200 tons on a track having the steepest gradient 1 in 300, with a curvature of 16½° where necessary, hauling speed in the range of 5 to 20 km. per hr., with standard accessories and spares for one year's operation. Diesel or diesel electric locomotive suitable for meter gauge, to work as a shunter, with a hauling capacity 200 to 250 mt. load on a track a part of which has a gradient of 1 in 300 and a 16½° curve at a min. speed of 5 km. and max. 20 km. per hr., complete with standard equipment, necessary spares for one year's operation, with buffers suitable for Indian regulations. Loan No. 157. U.S. source. Quotation deadline November 10. IL No. 978059/DLF-157/62/HQ/C.G.III. Ref. No. 19(3)/63-AID-II. Madras Cements, Ltd., Ramamandiram, Rajapalaiyam. SBC-391.

PAKISTAN—Freight cars for goods and specialized uses: meter and broad gauge; for Pakistan Western Railway. Direct purchase and agency. Globe Industries, (importer, distributor, commission merchant), National House, 47, The Mall, Lahore. WTD 9/16/63.

375 Motorcycles, Bicycles, Parts

■ **BURMA**—Bicycles, men's, horizontal bar type, 22" frame with tires and tubes, 1,500, size 28" x 1½" wire edged, carrier at back, stand, dry cell lamp, bell, pump, tool bag with tool set unassembled, dark blue. Tender No. BP/AID/40. PIO/C No. 482-S-71-AA-90006. Worldwide (899). Bid deadline November 12. The Inspector General of Police, c/o the Superintendent of Police Supplies, No. 147, Anawrahta St., Rangoon E. Detailed specifications, invitation to bid, general conditions may be obtained from the Embassy of Burma, 2300 S St., NW., Washington, D.C. Attn: Mrs. B. O'Connor. SBC-393.

381 Engineering, Laboratory, Scientific, Research Instruments

FRANCE—Industrial, laboratory equipment for chemical industry. Direct purchase and agency. France-Equipement Eral, (manufacturer), 41 ave. des Ternes, Paris 17e.

■ **INDIA**—Manual du spectrophotometer, Beckman model No. 13400 or equal, suitable for spectrophotometric analysis and capable of being connected to a flame photometer attachment, ac line operated, including selected 1P28 multiplier phototube and red-sensitive phototube, dual source unit with tungsten and hydrogen lamps, matched set of four silica rectangular 10 mm. cells, a dust cover, and the 23700 du power supply for the 115 v. 50/60 cycle operation of the du and accessories; flame photometry attachment, part No. 9200; oxy. hydrogen or air hydrogen burners, part No. 4020, 2 Nos.; oxy. acetylene burners, part No. 4030, 2 Nos. Inquiry No. 504. Requisition No. 1050 Ch/16. Limited worldwide (898). Quotation deadline October 25. Mr. Robert E. Johnson, Purchasing Agent, Educational Services, Inc., Kanpur Indo-American Program, 164 Main St., Watertown, Mass. SBC-393.

ITALY—Electric, scientific instruments such as: comparators, electric tachometers, precision wire resistors, potentiometers, miniature commutators, electrostatic voltmeters. Direct purchase and agency. Vianello, Kott. Ing. Mario, (importer), via Anelli 13, Milan. WTD. 2/6/63.

382 Instruments for Measuring, Controlling, Indicating Physical Characteristics

FRANCE—Measuring, control and regulation apparatuses. Direct purchase and agency. Societe Gros & Cie, (importer, dealer), 5 bis Passage de la Fontaine del Saulx, Lille (Nord).

● **INDIA**—Oil integrating meters 6, mobile flushing units 3, mobile filling units 3, coolant mixing units 3. Tender No. PJ/1.43/T.40, bid deadline November 4. Specifications, sketches, general instructions are available from The Deputy General Manager, Hindustan Machine Tools, Ltd., P.B. No. 22, Kalamassery, Kerala.★ (Telephone: 202-WOrth 7-2312).

■ Dial indicators, Starret or equivalent; drill point gauges, Starret or equivalent; micrometers, Starret or equivalent; matrix adjustable thread caliper gauges; matrix type A setting plug gauges; "go" and "not go" thread plug gauges for checking internal and external threads of various specifications; Dryseal American standard taper pipe thread step limit plug and ring gauges; 58 items, various sizes, specifications, quantities. Loan No. 217. U.S. source. IL No. A-588277/61/AU-DW/CCI/HQ/RM. Ref. No. 65(331)/63-AID(I)(II). Quotation deadline November 10. Mahindra & Mahindra, Ltd., Gateway Bldg., Apollo Bunder, Bombay. Cable, JEEPS, Bombay.★ SBC-391.

384 Medical, Surgical, Dental Instruments

VIETNAM—Diving equipment, accessories for underwater ship maintenance, repair. Direct purchase and agency. Cogema, (Vietnam), (importer, dealer), 406 Trinh Minh The, Saigon. WTD 8/29/63.

385 Ophthalmic Goods

FRANCE—Handmade eyeglass. Rene Romand, (manufacturer), 3 Chemin G. Grenier, Oyonnax, Asin.

386 Photographic Equipment

BAHRAIN—Still cameras. Kewalram & Sons, (importer, wholesaler, retailer), P.O. box 84, Bahrain. WTD 3/24/63.

● **BURMA**—Sensitized papers, photographic

chemicals. Tender No. 59-Pa-9/63. Bid deadline October 21. Civil Stores Committee No. 2 (Paper and Stationery Branch), Rangoon.★ (Telephone: 202-WO 7-2778).

■ Microfilm cameras, complete, 2 sets; microfilm processing kits, 16mm.; microfilm reader/printers, complete, 2 sets each. PIO/C No. 492-S-71-AA-9-90013. Worldwide (899). Tender No. BP/AID/39. Bid deadline November 5. The Inspector General of Police, c/o the Superintendent of Police Supplies, No. 147 Anawrahta St., Rangoon E. Detailed specifications, invitation to bid, general conditions may be obtained from the Embassy of Burma, 2300 S St., N.W., Washington, D.C., Attn: Mrs. B. O'Connor. SBC-393.

394 Toys, Amusement, Sporting Goods

AUSTRALIA—Toys of all kinds; sporting goods: golf accessories, badminton sets. Mr. J. F. Chapman, Director, Union Textiles, Pty., Ltd., (importer, distributor), 275 Clarence St., Sydney.

FRANCE—Fishing articles: rods, reels, thread; requests replies in French. Direct purchase and agency. Paul Brullez, (agent), Ave. Selvosa, Cannes (Alpes Maritimes).

SWITZERLAND—Games, sporting goods. K. W. Schwarz, (importing agency), 1, St. Peterstrasse, Zurich 22. WTD 4/1/63.

396 Costume Jewelry, Costume Novelties, Buttons, Notions

ENGLAND—Slide fasteners, zippers for men, women, children's casual wear. Falmer Manufacturing Co., (manufacturer), Radford Crescent, Billericay, Essex. WTD 8/5/63.

JAPAN—Nylon ties, dacron ties, metallic ties; beaded handbags and beaded cloth for making handbags. Direct purchase and agency. The Nissei Trading Co., Ltd., (importer), Tokiwa Bldg., 3 Nishisekiya-cho 2-chome Naniwa Ku, Osaka.

399 Manufacturing Industries

● **BURMA**—Supply of fire extinguishers as follows: 340 soda acid conical shape; 230 soda acid cylindrical type; 320 soda acid turnover type; 540 foam type. Tender No. GH/38/G-11 (63-64), bid deadline October 28. The Chairman, Civil Stores Committee (1), St. John's Rd., Rangoon.★ (Telephone: 202-WO 7-2939).

● Supply of fire extinguishers as follows: 230 c.t.c. steel body; 230 c.t.c. copper body; 90 c.t.c. double acting revolving; 230 c.o.2 with flexible hose steel body; 400 c.o.2. gas complete. Tender No. GH/39/11/63-64, bid deadline October 28. The Chairman, Civil Stores Committee (1), St. John's Rd., Rangoon.★ (Telephone: 202-WO 7-2939).

FRANCE—Gift articles, including housewares, kitchenwares; gadgets of a novelty character; requests replies in French. Bourget De Clausade & Cie, (importer, dealer), 22 rue de l'Arcade, Paris 8e. WTD 8/21/63.

LEBANON—Amusement machines of the variety used in amusement parks, display material, other equipment for amusement park. Mr. Bahjat Abulnour, (architect, general contractor), Aoun House Hotel, Makdisi St., Beirut.

■ **TANGANYIKA**—Wood wool slabs 6′ 0″ x 2′ 0″ x 2″, acoustic tiles 12″ x 12″ x ¾″, glazed wall tiling, sheet rubber flooring 36″ x 5/16″, cork tile flooring 12″ x 12″ x 5/16″, aluminum glass jalousie windows; reference No. G6/Various 3728. Galvanized mild steel tubing with screwed and socketed joints; reference No. EC2/Various 3729A. Cast iron spigot and socket pipe with rainwater outlets; Ref. No. G6/Various 3729. White translucent dome lights; Ref. No. G6/Various 3730. M.S. sectional storage tank, 1320 gal.; Ref. No. EC3/Various 3731C. Electric storage water heater; Ref. No. El/Various 332 4030. Sinks, lavatory basins, w.c. suites, urinals; Ref. No. EC2/Various 3731. Loan No. 616-H-004. U.S. source. Quotation deadline October 25. C&f Dar es Salaam. Crown Agents for Oversea Governments and Administrations, 4 Milbank, London, SW. 1, England. Specifications may be obtained from the Crown Agents Representative, 3100 Massachusetts Ave., NW., Washington, D.C., 20008. SBC-390.

■ **VIETNAM** — Commodities consisting of tube testers, resistor assortments, capacitors, relays, switches, lamps, assorted wire kits, tubing, soldering guns, power drills, headphones, selenium rectifiers, cables, charts, adhesive cement, lubricant chemicals; 586 items. PIO/C No. 430-AC-69-AA-9-30400. Limited worldwide (901). Invitation No. 0987-11093. Bid deadline October 31. Central Purchasing Authority, P.O. box H-5, Saigon. Cable, MAIDICH, Saigon. Specifications, conditions may be obtained from the Embassy of Vietnam, Miss Thuy, 2251 R St., NW., Washington, D.C. SBC-390.

■ Commodities such as liners, ring sets, water pumps, torque wrenches, thermostats, cylinder heads, valve exhausts, lube oil pump, P/T injectors, filter oil bags, lockplates, 46 items. Ref. No. LMH/2-0107-3-124. Invitation No. 0980-30083. Bid deadline October 23.

■ Commodities such as cap screws, wood screws, paint and hardware cabinets, wrench sets, circle cutters, alignment tools, punch and chisel sets, chassis punches, 81 items. PIO/C No. 430-AC-69-AA-9-30400. Limited worldwide (901). Invitation No. 0986-11093. Bid deadline October 31.

Both the above for Central Purchasing Authority, P.O. box H-5, Saigon. Cable, MAIDICH, Saigon. Specifications, conditions may be obtained from the Embassy of Vietnam, Miss Thuy, 2251 R St., NW., Washington, D.C. SBC-390.

509 Wholesalers

BARBADOS — Secondhand army uniforms. Anthony Brown & Co., (commission agent, manufacturer's representative), Plantations Bldg., Bridgetown. WTD 9/20/63.

International Representation

The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.

203 Canning, Preserving Food

NETHERLANDS ANTILLES—Canned fruit juices, vegetables, fruits, canned soya-bean oil; requests replies from manufacturers only. Gilberto P. De Paula, (agency), P.O. box 184, Willemstad, Curacao. WTD 5/9/63.

204 Grain Mill Products

ECUADOR — Components and concentrates for the manufacture of animal feed; requests replies in Spanish. Direct purchase and agency. Molinos "San Isidro" S.A.—Alberto Vasquez Avila, (importer, manufacturer), Calle Gonzalo S. Córdova No. 5-50, Cuenca. WTD 8/22/63.

220 Textile Mill Products

GERMANY — High grade upholstery and decoration textiles; requests quotations c.i.f. European ports. Josef Anstoetz GmbH, (importer, exporter, wholesaler), Postfach 529, 48 Bielefeld. WTD 9/16/63.

222 Broad Woven Fabrics

BARBADOS—Rayon fabrics: 38-in. or 39-in. widths of 180 plain dyed acetate taffetas, inexpensive satins, 180 printed taffetas, plain nylon chiffons, embroidered and plain linens, sparkle organzas, plain dyed ninons; plain dyed horsehairs, flock printed organzas; 41-in. or 42-in. bridal satins, plain and flock nylon organdies. J. W. Potter & Co., Ltd., (manufacturers' agent), P.O. box 258, Bridgetown. WTD 12/4/62.

225 Knitting Mills, Products

NETHERLANDS ANTILLES—Complete line of beachwear. Latin American Trading Co., (agency), 12 Majoorsweg, Curacao. WTD 5/9/63.

249 Wood Products

RHODESIA—Wooden handles for hand tools. John Shore, (manufacturers' representative), P.O. box 3709, Salisury. WTD 9/16/63.

282 Synthetic Materials

IRAN—Viscose rayon yarns, other artificial textile fibers. Yafa Co., Ltd., Seraye Haj-Hassan, Bazaar, Teheran. WTD 9/17/63.

283 Drugs

ECUADOR—Vitamins and antibiotics for veterinary use; requests replies in Spanish. Direct purchase and agency. Molinos "San Isidro" S. A. de Alberto Vasquez Avila, (importer, manufacturer), Calle Gonzalo S. Córdova No. 5-50, Cuenca. WTD 8/22/63.

289 Chemical Products

NETHERLANDS ANTILLES—Commercial fireworks. M. P. Jacobina, (agency) 5-B Middenstraat, Willemstad, Curacao. WTD 4/30/63.

299 Products of Petroleum, Coal

FRANCE—Automotive lubricants; requests replies in French. Maurice Larchet, (agent), 31 Ave. Porte de Choisy, Paris. WTD 8/21/63.

301 Tires, Tubes

FRANCE—Tires, inner tubes for cars; requests replies in French. Maurice Larchet, (agent), 31 ave. Porte de Choisy, Paris. WTD 8/21/63.

314 Footwear, Except Rubber

FRANCE—Men's, women's, children's shoes. Agefar-Agence Generale de Fabrique & de Representation, (importer, exporter, commission merchant), 12 rue Chabenais, Paris 2e. WTD 9/9/63.

335 Rolling, Drawing, Extruding of Nonferrous Metals

INDIA—All types of wires, cables required for power transmission. Fouress Business Corp., Vandekar Mansion, 443 Lamington Rd., Bombay 4. WTD 7/10/63.

349 Fabricated Metal Products

INDIA—All types of industrial valves. Fouress Business Corp., (importer, indenting agent), Vandekar Mansion, 443 Lamington Rd., Bombay 4. WTD 7/10/63.

355 Special Industry Machinery

ENGLAND—Machine for wrapping and addressing magazines, similar publications for mailing; requests quotations with illustrative literature. Mr. J. A. Dibben, (G3/Hong Kong 9998), Crown Agents, 4 Millbank, London SW.1.

Processing plant for cassava flour, starch with daily capacity of half ton throughput and ten ton throughput; requests price quotations and descriptive literature. Mr. G. G. Buttolph, (EM2/GGB), Crown Agents, 4 Millbank, London SW.1.

INDIA—All types of machinery, equipment for paper, textile industries. Fouress Business Corp., (importer, indenting agent), Vandekar Mansion, 443 Lamington Rd., Bombay 4. WTD 7/10/63.

IRAN—Equipment for a small factory to produce prophylactic devices made from rubber and surgical and obstetrical gloves made from rubber. Dr. Javad Feiz, (prospective manufacturer), Darvazeh Dowlat, Isfahan. WTD 9/18/63.

Deep well water pumps; requests replies in French or German; quotations c.i.f. Khorramshahr from manufacturers only. Direct purchase and agency. Field Irrigation Establishment, (importer, retailer), 603, Saadi Ave., Teheran. WTD 9/16/63.

371 Motor Vehicles, Motor Vehicle Equipment

RHODESIA—Spare parts, accessories. John Short, (manufacturer's representative) P.O. box 3709, Salisbury. WTD 9/16/63.

385 Ophthalmic Goods

NETHERLANDS—Ophthalmic frames, lenses, sun glasses; exclusive agency; requests replies from manufacturers only. N. V. Nehom, (importer, wholesaler), 38 Conradstraat or P.O. box 828, Rotterdam 4. WTD 9/18/63.

394 Toys, Amusement, Sporting Goods

ITALY—Toys. Francesco Angelitti, (agent), via Musini 41, Parma.

399 Manufacturing Industries

SWITZERLAND—Novelties. K.W. Schwarz, (importing agency), 1 St. Peterstrasse, Zurich 22. WTD 4/1/63.

505 Farm Products—Raw Materials

FRANCE—Raw skins. Ets. Justin Rotter & ses Fils, (importer, dealer), 17 rue des Petites Ecuries, Paris 10e. WTD 9/3/63.

509 Wholesalers

GERMANY—Grass, clover seeds; requests replies in German; quotations c.i.f. European ports. Feldsaaten S. Freudenberger ohg., (importer, exporter, wholesaler), 5 Hochstadenstrasse, 415 Krefeld-Uerdingen. WTD 9/17/63.

890 Services

PAKISTAN—Association desired with U.S. consulting firms. Lines of interest are industrial consulting, designing and planning; fabrication of plant and machinery in Pakistan; and market research and field surveys. Investment and Business Consultants, Ltd., (market researchers, project planners), 5th Fl., El-Markaz, Bunder Rd., Karachi.

Construction Projects

Supplementary information on items followed by (★) is available to U.S. firms domiciled in the United States from the Trade Opportunities Staff, Business and Defense Services Administration, U.S. Department of Commerce, Washington, D.C. 20230 or telephone: 202-WO 7-4674 in Washington.

AUSTRALIA—A 200-mile railway between Port Pirie, South Australia and Broken Hill, New South Wales, is being planned by the South Australian Railways. U.S. firms interested in the $45 million project for which bids are to be called for shortly should register and obtain documents from the Chief Engineer, South Australian Railways, Box 1825, G.P.O., Adelaide.

CANADA—Consideration is being given by the Quebec city authorities to alleviating the traffic congestion by means of construction of another bridge or tunneling beneath the St. Lawrence River. Municipal authorities in the U.S. have been contacted with a view to learning about their experiences with tunnel construction and operation. Quebec city engineer, Ludger Gagnon, would like to obtain data, preferably from the public sector with respect to layout plans, general profile, cross sections with dimensions, cost of construction and other significant data that would prove useful at this preliminary stage.

COLOMBIA—It is reported that plans are well advanced for the construction of a major new cement plant at Toluviejo, a small city on the Caribbean coast in the Department of Bolivar. The Corporacion Financiera Columbiana de Desarrollo Industrial, has planned the project and will finance the majority of the cost, estimated to be more than $5 million.

The new plant with a scheduled capacity of 750 tons daily is intended to serve the cement markets of the Departments of Bolivar and Cordoba and the Turbo area of Antioquia, while at the same time it is planned to export 40% of production. It is hoped that production will commence early in 1966. Quotes are being solicited for the necessary equipment.

It is also understood that discussions are being held concerning the possible construction of new cement plants and the expansion of existing ones in the interior of Colombia; however, it is reported that the discussions have not yet reached a definitive stage.

ETHIOPIA—The Imperial Highway Authority has invited interested international contractors to submit bids before November 1, for the third phase of the road improvement program which includes the construction of two new roads into the agricultural interior. The new roads, having a total length of 135 miles follow a route between Agaro and Bedelle (65 miles) and Ghimbi and Lekempti (70 miles). Also programmed in this phase is the construction of half a dozen small bridges and asphalting of approx. 500 miles of road. Specifications and plans may be obtained from the Imperial Highway Authority, P.O. box 177, Addis Ababa.

IRAQ—The ministry of Planning of the Government of Iraq has released a document entitled "*Major Projects for the Detailed Economic Plan—Work Program for 1963-1964.*" The Economic Plan subdivided into four categories (Agriculture, Industry, Transportation and Communications) itemizes numerous projects and provides subtotals and grand totals of the amounts involved.

The Economic Plan includes some of the following projects: construction of the Eski Mosul Dam; eight new silos; Pulp and Paper Mill in Basra; Cotton Textile Plant in Kut; Artificial Textiles in Hilla, and various port, communications, buildings and housing projects throughout.

Copies of this Economic Plan are available on loan from the Commodity Export Promotion Staff, BDSA III, Rm. 4203 Department of Commerce, Washington, D.C., 20230.

KUWAIT—A 250-room, Kuwait Hilton Hotel, with restaurant, swimming pool and bowling alleys will be constructed adjacent to the U.S. Embassy in Kuwait by the Kuwait Hotels Co. U.S. firms interested in the forthcoming tender should apply before October 29, to the Kuwait Hotels, Co., P.O. box 833, Kuwait.

PAKISTAN—The Pakistan Industrial Credit and Investment Corp., (PICIC), is studying the financing of three paper mills and one paper board mill in West Pakistan.

The largest of the proposed factories is an 18,000 ton capacity printing and writing paper mill to be located at Mardan in the major sugar growing area of Northwest Pakistan. This mill is estimated to cost $16 million and would use "bagasse", a waste by-product of the sugar industry. According to reports, the mill's capacity could be increased to 36,000 tons, which if carried out, would virtually double Pakistan's paper production.

PICIC is presently financing the construction of a paper-board mill at Lahore with an estimated capacity of 9,000 tons, and helping to finance the expansion of the Adamjee Card and Cardboard Mills at Nowshera. On completion of the new mill and of the proposed expansion, Pakistan's production of paperboard will rise to 23,400 tons per yr.

Serious consideration is also being given to the establishment of a 3,000 ton per yr. fine-paper mill in Karachi using wheat straw and cotton linters as raw material. At Nowshera, a 2,800 ton capacity special paper mill is also to be built to produce air mail paper, cigarette paper, carbon paper and a small quantity of writing and printing paper.

Leads for Importers

071 Agricultural Services

GUATEMALA—Cotton grower desires to act as representative for a cotton purchasing firm, offering ginned cotton in 300-lb. and 500-lb. bales, and cottonseed. Enrique Garcia-Salas M., "Engasalas", 14 Avenida 1-45, Zona 14, Guatemala City. WTD 10/5/62.

NEPAL—Raw jute: up to 1,000 bales Tossa Output 2/3; up to 500 bales Tossa Dundee 4. Hansraj Hulaschand & Co., (P), Ltd., Biratnagar, P.O. Jogbani, Purnea District, Bihar, India.

204 Grain Mill Products

GUATEMALA—Cassava starch (edible and non-edible) in yearly lots of 5,000 to 10,000 quintals (one quintal equals 101 lb.); preferably east or west coast agents. Rafaed Alejandro Coloma Beltranena—"Cobanor", 1a. Avenida 1-14, Zona 11, Guatemala City.

209 Food Preparations

GREECE—The Greek Pool of Agricultural Cooperatives "Melissokomiki", 65 Vassilissis Sophias St., New Chalkidon, Athens, has available for export pure thyme and flower honey of excellent quality, as well as pine and heath honey, and is interested in contacting U.S. honey importers.

509 Wholesalers

GERMANY—Grass, clover seeds. Feldsaaten S. Freudenberger Ohg., 5 Hochstadenstrasse, 415 Krefeld-Uerdingen. WTD 9/17/63.

High-grade upholstery and decoration textiles in antique, modern as well as original designs. Josef Anstoetz GmbH., Postfach 529, 48 Bielefeld. WTD 9/16/63.

Spinnerettes of precious metal for nylon threads. Ingenieurbuero fuer Electronik Hansgeorg Schukat, 27 Krischerstrasse, 4019 Monheim/Rhld. WTD 5/2/63.

UAR invites tenders on meters, recorders

The Embassy of the United Arab Republic has requested bids for an Orifice meter and test section; electric well sounder with footage counter; and Stevens type f Recorder.

More details and specifications may be obtained from, and bids should be submitted to, the Commercial Office, Embassy of the United Arab Republic, 2215 Wyoming Ave., NW., Washington, D.C.

There is no bid deadline.

Ceylon wants glycerin

The Ministry of Health and Housing, P.O. Box 500, Colombo, Ceylon, is requesting bids for 45,000 lb., by wgt., of glycerin B.P., packed in drums of one hundred wgt.

The closing date for bids is 10 a.m., November 26, at the above address.

Copies of this tender schedule may be obtained from the Embassy of Ceylon, 2148 Wyoming Ave., NW., Washington, D.C., by referring to US/Com/29/29.

Iraq wants equipment for maritime telephone

The Wireless Department of the Iraq Ports Administration has issued Tender No. 93/63 for the supply of 6 Shipborne VHF/FM marine radio telephone sets, capable of both simplex and duplex operation, 6 Shipborne VHF/FM marine radio telephone sets for simplex operation only and 3 sets of spare parts for two years maintenance of each of the above.

The closing date for this tender is November 10. Tenders should be addressed to the Director General, Iraqi Ports Administration, Margil, Iraq.

Copies of the tender documents and specifications may be obtained at that authority or are available on a short-loan basis to firms located in the U.S. from the Electronics Division, BDSA, Rm. 4119, Department of Commerce, Washington, D.C., 20230. (Telephone: 202-WO 7-4036).

Bowling equipment asked by company in Gabon

Mr. M. Pierre Fache, B.P. 763, Libreville, Gabon, wishes to obtain technical data and other information on bowling alleys and accessories, coin operated pinball machines and juke boxes.

If feasible, Mr. Fache will purchase such machinery and equipment as is needed to establish bowling alleys in Equatorial Africa, Gabon, Chad, Central African Republic, Congo (Brazzaville) and Cameroun.

Replies in French, descriptive literature and price quotations are requested. Interested firms should contact Mr. Pierre Fache at the address given above.

Indonesia offers market for processing machinery

The U.S. Embassy in Djakarta, Indonesia, has advised that there is a market for equipment used in processing coffee, pepper and nutmeg.

In its efforts to promote the sale of U.S. manufactured equipment, the U.S. Embassy requires promotional literature and price lists on U.S. processing machinery and equipment.

U.S. suppliers interested in this trade opportunity should send catalogs and price lists via airmail to: The Commercial Attache, U.S. Embassy, Djakarta, Indonesia.

Water treatment plant planned for Colombia

Planta Colombiana de Soda of Bogota, Colombia, has published invitations to bid on equipment for a new water treatment plant in Cartagena.

The equipment includes pumps, meters, controls, valves, alum and chlorine dosers, and equipment for mixers and coagulators.

The bid deadline is November 15. Specifications may be purchased for $25.00 (250 pesos) from Planta Colombiana de Soda, at Edificio Banco de la Republica, Piso 12, Bogota, Colombia.

Visiting Buyers and Officials

AUSTRALIA—G. M. Thorp, representing Peddle, Thorp & Walker, Architects, A.M.P. Bldg., Sydney Cove, interested in **building and interior decoration materials,** particularly types not yet introduced in Australia and suited to commercial and industrial building and requests technical information for these materials. October 25 via New York for 3 weeks. c/o Carlton Beach Hotel, New York, N.Y.; Ambassador Hotel, Los Angeles, Calif.; Fairmont Hotel, San Francisco, Calif.; Reef Hotel, Honolulu, Hawaii. Itinerary: New York, Washington, Los Angeles, San Francisco, Honolulu.

CHILE—Pablo Irarrazabal Barros and Alvaro Covarrubias Risopatron representing Abastecedora de Combustibles S.A., Avds. Vicuna MacKenna #55, Santiago, interested in **distribution of liquefied petroleum gases** and request technical information on the industrial applications of L.P.G. in U.S. Latter part of October via Miami (tentatively) for 15 days. c/o American Infrared Radiant Co., Inc., P.O. box 1308, Houston 1, Texas. Itinerary: Houston, Chicago, Cleveland, New York.

Rosa O'Ryan de Vergara, representing Javier Vergara Hunneus, Arlegui 374, Vina del Mar, interested in **manufacturing Terrytex cleaning cloths** and requests technical information for manufacturing above item. October 25 via Miami for two months. c/o 8040 S.W. 99th Ct., Miami 43, Fla. Itinerary: Miami, Boston, Woonsocket.

INDIA—Prince Digvijay Sinh of Wankaner, Sanify, India, Ltd., The Palace, Wankaner, (District Rajkot), Gujarat, interested in U.S. collaboration in establishing **ceramic industry or any light engineering industry.** October 28 via Seattle for one month. c/o Indian Consulate, San Francisco, Calif. Itinerary: Seattle, Salt Lake City, Las Vegas, Los Angeles, San Francisco.

KENYA—Mr. Keshavlal S. Khimasia, Nath Bros., Ltd., P.O. box 1896, Nairobi, interested in **new and used cotton and rayon textile machinery** and requests technical information on spinning, weaving, dyeing and finishing processes; also desires information on modernizing existing textile plant. October 25 via New York for six weeks. c/o Singer Supreme Co., New York, N.Y. Itinerary: New York, Greenville, Atlanta, New Orleans, Dallas, Denver, Chicago, San Francisco, Los Angeles, Calif.

Lebanese architect needs construction information

Mr. Bahjat Abdulnour, Architect and General Contractor, Aoun House Hotel, Makdisi St., Beirut, Lebanon, wishes to obtain information concerning folding or sliding scaffolding, equipment and machinery used in building construction and pertinent equipment for the construction of a tower approx. 1312 ft. high. Inasmuch as the proposed company has not yet been established, it is suggested, therefore, that no commitments be made before it is definitely organized.

New Books and Reports

***Taxation in the United States.* Prepared by Harvard Law School for the Commerce Clearing House World Tax Series. Chicago, Ill. 1963. 1,518pp. $27.50.**

Up to date as of April 1, 1963, this new volume is divided into 3 major sections—broken down to help simplify understanding of the U.S. tax system.

Part I provides the political, economic and fiscal background necessary to understand the tax structure as a whole . . . presents a description of taxes of all types at all levels of government, including a brief summary of federal income tax law. Local taxes on property, taxes on transfers of property at death and taxes on transfers of property by gift are discussed in detail in this Part. In addition, you'll find extensive coverage of sales and excise taxes, customs duties and documentary stamp taxes.

Part II offers a detailed analysis of the federal income tax, integrating Code Provisions, Regulations, rulings, and court decisions. One chapter deals with the international aspects of income taxation, including the many changes brought about by the Revenue Act of 1962. A chapter on business income covers business deductions, depreciation, and the investment credit enacted to encourage capital investment in depreciable property. Another separate chapter is devoted to the tax treatment of corporations and shareholders—containing a discussion of the law on corporate distributions, organizations, reorganizations, and liquidations.

Part III gets into the heart of state taxes, using New York State to illustrate the tax structure of a state and its local governments. Some of the issues of inter-governmental fiscal relations in a federal system of government are also covered in this part.

Order from the CCH Products Company, 4025 West Peterson Avenue, Chicago, 46, Ill.

***Bibliography of (World) Industrial and Distributive-Trade Statistics.* (Statistical Papers Series M, No. 36.) 1962. 58pp. 75¢.**

An annotated bibliography of recent national surveys and statistical sources relating to the industrial and distributive trade sectors of the economies of countries throughout the world. Copies can be obtained from the United Nations, Sales Section, New York, N.Y.

Where to Order

All Overseas Business Reports (OBR's) and World Trade Information Service (WTIS) booklets published after January 1, 1961, which are referred to in this issue can be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Earlier WTIS's may be ordered from the Publication's Sales Section, U.S. Dept. of Commerce, Washington, D.C. 20230. All OBR's cost 15 cents.

***Rundt's Overseas Market Reports on Argentina, Belgium-Luxembourg, Peru, the Philippines, and Sweden.* Published by S. J. Rundt and Associates, New York. June-August 1963. 33-49pp., mimeographed. $25 each (annual subscription fee $100 for a minimum of 30 such country surveys scheduled each year).**

Recent overseas area economic surveys, giving detailed examination of population; economic and industrial analysis and trends; international trade by countries and commodities; U.S. Common Market and Communist countries relations; monetary, financial, banking and fiscal review; production and development; employment and wages; and foreign investment.

Listing of recent survey and other international data will be furnished on request by S. J. Rundt & Assoc., 130 East 63rd Street, New York 21, N.Y.

***Cases in International Business.* Richard D. Robinson. 1962. Holt, Rinehart and Winston, 383 Madison Ave., New York 17, N.Y. 146pp. $2.50 (paperbound).**

Actual case studies and discussions of managerial problems and skills peculiar to the successful conduct of international business. Countries dealt with include Turkey, Iraq, India, the Philippines and Bolivia. Cover such topics as planning an international organization, personnel policies and problems, legal and tax problems, foreign manufacture, investment criteria, foreign exchange problems, management contracting and production problems, negotiating strategy, project evaluation.

***Fraser's Canadian Trade Directory 1962.* (49th Edition.) July 1962. Annual. 1,904pp. $12.50.**

Classified register of 6,500 product headings and subheadings giving manufacturers, wholesalers and agents for each commodity; alphabetical listing of 30,000 Canadian firms, 15,000 brand names; 11,000 foreign companies with resident representatives in Canada. Complete street address shown in all listings.

Market data section contains register of Government departments, trade boards, foreign representatives, principal industries; population figures for cities and towns over 2,500, also statistics by Province. Indexes to classifications and to advertisers. Useful guide for marketing executives.

Order from Fraser's Trade Directories, Ltd., 6833 Avenue de L'Epee, Montreal 15, Canada.

***Japan Trade Guide 1963.* 1962. The Jiji Press, Ltd., No. 2, Hibiya Park, Chiyoda-ku, Toyko, Japan. 705pp. $10 (includes surface mail postage).**

The only annual of its kind published in Japan in English. Contains information on Japanese politics, economic development, and foreign trade; on Japan's export commodities and service facilities; and general trade information. Includes a list of Japan's Government Agencies and Trade Organizations, and a comprehensive Mercantile Directory.

***Statistical Yearbook for the Federal Republic of Germany, 1963.* Edited by the West German Statistical Office, Wiesbaden. W. Kohlhammer GMBH, Stuttgart and Mainz. xx plus 800 pages. Price: 38 deutschmarks ($9.50) plus postage.**

The Statistical Yearbook, a comprehensive reference book compiled by the official West German statistical office, provides demographic and economic data for the Federal Republic of Germany and West Berlin. The 1963 edition presents new data from a number of recent statistical surveys, including a study of land values. There is also a supplement containing for the first time the results of the population and occupation census conducted in 1961. Additional chapters deal with the Soviet Zone of Germany and the Soviet Sector of Berlin.

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Calendar *for international traders*

October

14—Piedmont Traffic Club Export Expansion Conference. Furman Univ., **Greenville, S.C.** Sponsors: Piedmont Traffic Club, South Carolina Export Expansion Council, U.S. Dept. of Commerce's Charleston Field Office.

14-15—Businessmen's Consultations with members of the U.S. Trade Missions to Belgium, Denmark, Norway and Sweden. **St. Louis, Mo.** Sponsors: St. Louis Regional Export Expansion Council and the Chamber of Commerce of Metropolitan St. Louis.

15—Workshop on Steamship Conference and Ocean Freight Rates, **Kansas City, Mo.** Sponsors: International Trade Club of Kansas City and the Dept. of Commerce's Kansas City Field Office.

15—Luncheon Meeting, International Executive Assn. Hotel Statler Hilton, **New York, N.Y.**

15—Export Expansion Conference, **Williamsport, Pa.** Sponsors: West Branch Manufacturers Assn. and the Philadelphia Regional Export Expansion Council.

15—Dinner Meeting of the Philadelphia Foreign Traders Assn. Sheraton Hotel, **Philadelphia, Pa.**

15—Luncheon Meeting of the Foreign Trade Bureau of the Cedar Rapids Chamber of Commerce. Hotel Roosevelt, **Cedar Rapids, Iowa.**

16—Export Trade Seminar, **Jacksonville, Fla.** First of 8 weekly sessions. Sponsors: U.S. Dept. of Commerce Field Office; Jacksonville Area Chamber of Commerce; and Duval County Board of Public Instruction.

16—International Trade Meeting sponsored by LaFayette Chamber of Commerce, **LaFayette, Ind.**

16—Hudson County Conference on "Profits in Exports." Luncheon at Hotel Plaza, **Jersey City, N.J.** Sponsors: Jersey City and Hoboken Chambers of Commerce, New York Regional Export Expansion Council, Port of New York Authority, and the U.S. Department of Commerce's New York Field Office.

16—Export Trade Seminar, **Jacksonville, Fla.** First of 8 weekly sessions. Sponsors: U.S. Dept. of Commerce's Jacksonville Field Office; Jacksonville Area Chamber of Commerce; and Duval County Board of Public Instruction.

16-17—Export Expansion Conference and Businessmens' Consultations with members of the U.S. Trade Missions to Belgium, Denmark, Norway and Sweden. **Detroit, Mich.** Sponsor: U.S. Dept. of Commerce's Detroit Field Office.

17—"Little White House" Export Expansion Conference, **Richmond, Va.** Sponsor: U.S. Dept. of Commerce's Richmond Field Office.

17—World Trade Club of Detroit monthly meeting. Pick-Fort Shelby Hotel, **Detroit, Mich.**

17—Monthly Luncheon of the Chamber of Commerce's World Trade Council, **Pittsburgh, Pa.**

17—Second of 6 weekly "Mechanics of Exporting" seminars. **Pittsburgh, Pa.** Sponsored by the Pittsburgh Chamber of Commerce's World Trade Council.

17—Export Trade Seminar, **Orlando, Fla.** First of 8 weekly sessions. Sponsors: U.S. Dept. of Commerce's Jacksonville Field Office; Greater Orlando Chamber of Commerce; and Orange County Board of Public Instruction.

17-18—Fifteenth Annual Virginia World Trade Conference. Golden Triangle Motor Hotel, **Norfolk, Va.** Speaker: E. E. Schnellbacher, Asst. Director of the Bureau of International Commerce.

19—Bankers' Conference on International Trade, in auditorium of 1st National Bank, **Ft. Worth, Texas.** Sponsors: Department of Commerce's Dallas Field Office and 1st National Bank of Ft. Worth.

21-25—1963 Metals and Materials Show. Cleveland Public Auditorium, **Cleveland, Ohio.** Sponsor: American Society for Metals.

22—International Trade Development Conference at Plankinton House, **Milwaukee, Wis.** Sponsors: International Trade Committee of Milwaukee Association of Commerce and Milwaukee World Trade Club. Co-sponsors: Department of Commerce and Regional Export Expansion Council.

22—Memphis World Trade Club, Hotel Claridge, **Memphis, Tenn.** "Port of New Orleans" night.

22—Conference on Exports at Xavier University, **New Orleans, La.** 7:30 to 10 p.m. Sponsors: Xavier University, Regional Export Expansion Council and U.S. Dept. of Commerce's New Orleans Field Office.

22—Eighth Export Workshop, Federal Reserve Building, **Cleveland, Ohio.** Sponsors: Ohio Regional Export Expansion Council and U.S. Dept. of Commerce's Cleveland Field Office.

23—Greater Florence Chamber of Commerce Export Expansion Conference, **Florence, S.C.** Sponsors: Greater Florence Chamber of Commerce, South Carolina Export Expansion Council, U.S. Dept. of Commerce's Charleston Field Office.

24—Hartsville Export Expansion Conference. **Hartsville, S.C.** Sponsors: Hartsville Lions Club, South Carolina Export Expansion Council, U.S. Dept. of Commerce's Charleston Field Office.

24—Trade Missions Conference, 4 p.m., Barringer Hotel, **Charlotte, N.C.** Members of U.S. Trade Missions to France and Sweden will participate. Organizational meeting for a North Carolina World Trade Assn., 6:30 p.m.

24-25—Fall Meeting of the Western International Trade Group. **San Francisco, Cal.** Speakers: Eugene Braderman, Director of the Bureau of International Commerce, and Daniel L. Goldy, Administrator of the Business and Defense Services Administration.

24—Export Expansion Conference, **Atlantic City, N.J.** Sponsors: Atlantic City Chamber of Commerce, South Jersey Manufacturers Assn. and the Philadelphia Regional Export Expansion Council.

24—"Little White House" Export Expansion Conference, **Greensboro, N.C.** Sponsor: U.S. Dept. of Commerce's Greensboro Field Office.

25—Gulfport Conference on Exports. Markham Hotel, **Gulfport, Miss.** Sponsors: New Orleans Regional Export Expansion Council, Gulfport Chamber of Commerce and the New Orleans Field Office of the U.S. Dept. of Commerce.

28—Michiana World Trade Club Meeting. V-M Corporation, **Benton Harbor, Mich.**

28—Columbia Sales and Marketing Club Export Expansion Conference, 6:30 p.m., Wade Hampton Hotel, **Columbia, S.C.** Sponsors: Columbia Sales and Marketing Club, South Carolina Export Expansion Council, U.S. Dept. of Commerce's Charleston Field Office.

28—"Little White House" Export Expansion Conference, **Memphis, Tenn.** Sponsors: Memphis Regional Export Expansion Council and Memphis Field Office.

29—Riverside and San Bernardino County Export Expansion Conference at the Orange Show, **San Bernardino, Cal.** Subject: "New Profit Opportunities in International Business." Sponsors: Los Angeles Export Expansion Council, Riverside and San Bernardino County Boards of Trade.

29—Export Expansion Conference, **San Antonio, Tex.** Sponsors: Regional Export Expansion Council and the San Antonio Chamber of Commerce.

29—Businessmens' Consultations and Luncheon with members of the U.S. Trade Mission to Sweden at El Cortez Hotel, **San Diego, Cal.** Sponsors: San Diego Chamber of Commerce and Department of Commerce's Los Angeles Field Office.

30—American Marketing Assn's St. Louis International Roundtable, Miss Hulling's Restaurant, **St. Louis, Mo.**

31—Mid-South Exporters' Roundtable, **Memphis, Tenn.** Program featuring "Private and Government Assistance to the Traveling Businessman."

31—The World Trade Club of St. Louis and the American Marketing Assn. joint meeting at LeChateau Restaurant, **St. Louis, Mo.**

31—Monthly Export Counseling, **Pittsburgh, Pa.** Sponsored by the Chamber of Commerce of Greater Pittsburgh.